

**AGENDA OF A REGULAR MEETING - NATIONAL CITY CITY COUNCIL/  
COMMUNITY DEVELOPMENT COMMISSION – HOUSING AUTHORITY OF  
THE CITY OF NATIONAL CITY**



**COUNCIL CHAMBERS  
CIVIC CENTER  
1243 NATIONAL CITY BOULEVARD  
NATIONAL CITY, CALIFORNIA  
TUESDAY, DECEMBER 6, 2016 – 6:00 PM**

**RON MORRISON**  
*Mayor*

**JERRY CANO**  
*Vice Mayor*

**ALBERT MENDIVIL**  
*Councilmember*

**MONA RIOS**  
*Councilmember*

**ALEJANDRA SOTELO-SOLIS**  
*Councilmember*

**ORDER OF BUSINESS:** Public sessions of all Regular Meetings of the City Council / Community Development Commission - Housing Authority (hereafter referred to as Elected Body) begin at 6:00 p.m. on the first and third Tuesday of each month. Public Hearings begin at 6:00 p.m. unless otherwise noted. Closed Sessions begin at 5:00 p.m. or such other time as noted. If a workshop is scheduled, the subject and time of the workshop will appear on the agenda. The Mayor and Council members also sit as the Chairperson and Members of the Board of the Community Development Commission (CDC).

**REPORTS:** All open session agenda items and reports as well as all documents and writings distributed to the Elected Body less than 72 hours prior to the meeting, are available for review at the entry to the Council Chambers. Regular Meetings of the Elected Body are webcast and archived on the City's website **[www.nationalcityca.gov](http://www.nationalcityca.gov)**.

**PUBLIC COMMENTS:** Prior to the Business portion of the agenda, the Elected Body will receive public comments regarding any matters within the jurisdiction of the City and/or the Community Development Commission. Members of the public may also address any item on the agenda at the time the item is considered by the Elected Body. Persons who wish to address the Elected Body are requested to fill out a "Request to Speak" form available at the entrance to the City Council Chambers, and turn in the completed form to the City Clerk. The Mayor or Chairperson will separately call for testimony of those persons who have turned in a "Request to Speak" form. If you wish to speak, please step to the podium at the appropriate time and state your name and address (optional) for the record. The time limit established for public testimony is three minutes per speaker unless a different time limit is announced. Speakers are encouraged to be brief. The Mayor or Chairperson may limit the length of comments due to the number of persons wishing to speak or if comments become repetitious or irrelevant.

**WRITTEN AGENDA:** With limited exceptions, the Elected Body may take action only upon items appearing on the written agenda. Items not appearing on the agenda must be brought back on a subsequent agenda unless they are of a demonstrated emergency or urgent nature, and the need to take action on such items arose after the agenda was posted.

**CONSENT CALENDAR:** Consent calendar items involve matters which are of a routine or noncontroversial nature. All consent items are adopted by approval of a single motion by the City Council. Prior to such approval, any item may be removed from the consent portion of

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the agenda and separately considered, upon request of a Councilmember, a staff member, or a member of the public.

Upon request, this agenda can be made available in appropriate alternative formats to persons with a disability in compliance with the Americans with Disabilities Act. Please contact the City Clerk's Office at (619) 336-4228 to request a disability-related modification or accommodation. Notification 24-hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

*Spanish audio interpretation is provided during Elected Body Meetings. Audio headphones are available in the lobby at the beginning of the meeting.*

*Audio interpretación en español se proporciona durante sesiones del Consejo Municipal. Los audífonos están disponibles en el pasillo al principio de la junta.*

**COUNCIL REQUESTS THAT ALL CELL PHONES AND PAGERS BE TURNED OFF DURING CITY COUNCIL MEETINGS.**



**OPEN TO THE PUBLIC**

**A. CITY COUNCIL**

**CALL TO ORDER**

**ROLL CALL**

**PLEDGE OF ALLEGIANCE TO THE FLAG**

**PUBLIC COMMENTS (THREE-MINUTE TIME LIMIT)**

**PROCLAMATIONS**

**AWARDS AND RECOGNITIONS**

**PRESENTATIONS**

1. [Introduction of New Employees](#)
2. [2017 Storm Water Calendar Presentation](#)
3. [Update on "Together, We Can" Campaign - Cristina Charlton, SDSU Intern \(Neighborhood Services/Planning\)](#)

**INTERVIEWS / APPOINTMENTS**

**CONSENT CALENDAR**

4. [Motion of the City Council of the City of National City approving the waiving of the reading of the text of the Ordinances considered at this meeting and providing that such Ordinances shall be introduced and/or adopted after a reading of the title only. \(City Clerk\)](#)
5. [Approval of the Minutes of the Regular Meeting of the City Council and Community Development Commission - Housing Authority of the City of National City of November 1, 2016. \(City Clerk\)](#)
6. [Resolution of the City Council of the City of National City approving the implementation of a Holiday Food for Fines Pilot Program from December 7, 2016 through January 31, 2017 to accept food donations at the National City Library in exchange for the reduction of overdue library fines by \\$1 for each item donated in honor of the holiday spirit of giving. \(Library\)](#)
7. [Resolution of the City Council of the City of National City adopting amendments to the City Council Policy Manual; Chapter 600: Personnel](#)

Services (Policy 602 - Council Clerical Staff), Chapter 700: Traffic and Public Safety (Policy 705 - Fire Hydrants), Chapter 1000: Risk Management (Policy 1001 - Risk). (City Manager)

8. Resolution of the City Council of the City of National City adopting City Council Policy # 203, "Investments," for Fiscal Year 2017. (Finance)
9. Resolution of the City Council of the City of National City waiving the bid process by piggybacking Western States Contracting Alliance (WSCA) contract MNWNC-122, and authorizing the purchase from Nimble Storage Inc. of Enterprise Storage for an amount not to exceed \$154,075.70.(MIS)
10. Resolution of the City Council of the City of National City authorizing the establishment of an \$8,500 Materials and Supplies Account appropriation in the Trash Rate Stabilization Fund and corresponding use of Trash Rate Stabilization Fund fund balance for the purchase of public litter containers. (Engineering/Public Works)
11. Resolution of the City Council of the City of National City authorizing the appropriation of \$625,000 in TransNet Active Transportation Grant Program funds through the San Diego Association of Governments for the Citywide Midblock Pedestrian Crossing Enhancements Project and establishment of corresponding revenue and expenditure accounts. (Engineering/Public Work)
12. Resolution of the City Council of the City of National City authorizing the Mayor to execute an Agreement with A Reason to Survive, Inc. (ARTS) in the not-to-exceed amount of \$40,000 to oversee the conceptualization, creation, design and fabrication of custom bike racks funded through a San Diego Association of Governments (SANDAG) TransNet Active Transportation Grant Program grant and local matching funds. (Engineering/Public Works)
13. Resolution of the City Council of the City of National City authorizing installation of All-Way Stop control at the intersections of "K" Avenue & E. 6th Street and "J" Avenue & E. 5th Street (TSC No. 2016-16). (Engineering/Public Works)
14. Resolution of the City Council of the City of National City authorizing the installation of Stop signs and Yield signs to provide traffic control at various intersections within the neighborhood bound by Alpha Street to the north, Division Street to the south, Euclid Avenue to the east, and I-805 to the west (TSC No. 2016-17). (Engineering/Public Works)
15. Resolution of the City Council of the City of National City authorizing the installation of two, 2-hour time restricted parking spaces on E. 6th Street

adjacent to “Monte de Piedad”, located at 604 Highland Avenue (TSC No. 2016-19). (Engineering/Public Works)

16. Resolution of the City Council of the City of National City authorizing the installation of five, 2-hour time restricted parking spaces located on the south side of E. 8th Street in front of Harborview Condominiums (TSC No. 2016-18). (Engineering/Public Works)
17. Resolution of the City Council of the City of National City authorizing installation of approximately 80 feet of red curb No Parking on the south side of E. 8th Street, west of N Avenue, to enhance visibility and access from N Avenue onto E. 8th Street (TSC No. 2016-20). (Engineering/Public Works)
18. Resolution of the City Council of the City of National City authorizing installation of 40 feet of red curb “No Parking” on the north side of E. 4th Street, east of “B” Avenue, and 40 feet of red curb “No Parking” on the south side of E. 4th Street, west of “B” Avenue, to enhance visibility and access from “B” Avenue onto the E. 4th Street (TSC No. 2016-21). (Engineering/Public Works)
19. Resolution of the City Council of the City of National City authorizing the acceptance of the lowest, responsive, responsible bid, for the purchase of (2) 2017 Nissan Altimas SR, for the Police Department from Mossy Nissan of National City, in the amount of \$51,603.06. (Finance)
20. Resolution of the City Council of the City of National City authorizing the acceptance of the lowest, responsive, responsible bid, for the purchase of (1) 2017 Ford F250 SD Super Cab 148” XL, (1) 2017 Ford F250 SD Super Cab 164” XL with Service Body, and (1) 2017 Ford F450 SD Super Cab 168” XL with Service Body for the Public Works Department from North County Ford of Vista, in the amount of \$131,687.60. (Finance)
21. Resolution of the City Council of the City of National City authorizing the acceptance of the lowest, responsive, responsible bid, for the purchase of (1) 2016 Toyota Highlander XLE, for the Police Department from Toyota San Diego of San Diego, in the amount of \$38,563.45. (Finance)
22. Resolution of the City Council of the City of National City authorizing the Mayor to execute an agreement with Financial Credit Network, Inc. for collection services for a three-year term with two additional one-year options. (Finance)
23. Investment Report for the quarter ended September 30, 2016. (Finance)
24. Warrant Register #17 for the period of 10/19/16 through 10/25/16 in the amount of \$2,485,391.15. (Finance)

25. [Warrant Register #18 for the period of 10/26/16 through 11/01/16 in the amount of \\$1,791,247.42. \(Finance\)](#)

## **PUBLIC HEARINGS**

26. [Public Hearing – Conditional Use Permit for a craft beer tasting room \(Embarcadero Brewing\) to be located at 340 West 26th Street, Suite “D”. \(Applicant: Jorge Molina\) \(Case File 2016-21 CUP\) \(Planning\)](#)
27. [Public Hearing – Proposed Street Vacation of a segment of “A” Avenue located south of East 28th Street and north of East 29th Street. \\*Hearing reopened at City Council Meeting of September 6, 2016\\* \(Applicant: Frank Motors\) \(Case File No. 2013-23 SC\) \(Planning\)](#)

## **ORDINANCES FOR INTRODUCTION**

28. [An Ordinance of the City Council of the City of National City adopting the 2016 California Fire Code & the National Fire Protection Association Standards. Including the 2016 California Building, Mechanical, Electrical, Plumbing, Residential, Energy, Green & Grading Codes & 2014 National Electrical Code. In addition, all Appendices related to the codes described above. \(Fire/Building\)](#)
29. [An Ordinance of the City Council of the City of National City amending Sections 2.60.035, 2.60.250, and 2.60.270 of the National City Municipal Code related to the City Managers Contracting Authority. \(City Attorney\)](#)

## **ORDINANCES FOR ADOPTION**

## **NON CONSENT RESOLUTIONS**

30. [Resolution of the City Council of the City of National City approving a 4.48% salary adjustment for the Part-Time and Seasonal employee group effective January 1, 2017; and moving the classifications of Part-Time Property and Evidence Specialist I and Police Dispatcher from ranges pt132 and pt160, respectively to pt127 and pt156, respectively.](#)

## **NEW BUSINESS**

31. [Notice of Decision – Planning Commission approval of a Conditional Use Permit for the expansion of a gas station convenience store at 1803 Highland Avenue. \(Applicant: Michael Rafo\) \(Case File 2016-17 CUP\) \(Planning\)](#)
32. [Notice of Decision – Planning Commission approval of a Conditional Use Permit to convert a three unit multi-family development to condominiums at 1404 & 1408 Coolidge Avenue and 316 West 14th Street. \(Applicant: William Lewallen\) \(Case File 2016-18 CUP\) \(Planning\)](#)

**B. COMMUNITY DEVELOPMENT COMMISSION-HOUSING AUTHORITY**

**PUBLIC HEARINGS- HOUSING AUTHORITY**

**CONSENT RESOLUTIONS- HOUSING AUTHORITY**

**NON CONSENT RESOLUTIONS- HOUSING AUTHORITY**

33. [Resolution of the Community Development Commission-Housing Authority of the City of National City authorizing the Executive Director to execute an Exclusive Negotiating Agreement by and between the Community Development Commission-Housing Authority of the City of National City and Community HousingWorks, Inc., a California non-profit public benefit corporation, and Mercy Housing California, Inc., a California non-profit public benefit corporation for the recapitalization and rehabilitation of Kimball and Morgan Towers located at 1317 and 1415 "D" Avenue in National City. \(Housing and Economic Development\)](#)

**NEW BUSINESS- HOUSING AUTHORITY**

**C. REPORTS**

**STAFF REPORTS**

**MAYOR AND CITY COUNCIL**

**CLOSED SESSION REPORT**

**ADJOURNMENT**

Regular Meeting of the City Council and Community Development Commission - Housing Authority of the City of National City - Tuesday - December 20, 2016 - 6:00 p.m. - Council Chambers - National City, California.

City Council and Community Development Commission - Housing Authority of the City of National City Meeting Schedule for the Period January 3, 2017 through January 17, 2017:

January 03 - Dispense with Meeting - 6:00 pm  
January 17 - Regular Meeting - 6:00 pm

The following page(s) contain the backup material for Agenda Item: Introduction of New Employees

ITEM NO. \_\_\_\_\_

12/6/16

## **INTRODUCTION OF NEW EMPLOYEES**

**Luca Zappiello, Civil Engineering Technician**

**Jorge Valdivia Guerrero Jr, Building Trades Specialist**

**Santiago Marron Jr, Building Trades Specialist**

**(Engineering/Public Works)**

The following page(s) contain the backup material for Agenda Item: 2017 Storm Water  
Calendar Presentation



Item \_\_\_\_\_

12/6/16

**2017 STORM WATER CALENDAR PRESENTATION  
(ENGINEERING/PUBLIC WORKS)**

The following page(s) contain the backup material for Agenda Item: Update on "Together, We Can" Campaign - Cristina Charlton, SDSU Intern (Neighborhood Services/Planning)

Item # \_\_\_\_\_

December 6, 2016

Update on  
“Together, We Can”  
Campaign

Cristina Charlton, SDSU Intern  
(Neighborhood Services/Planning)

The following page(s) contain the backup material for Agenda Item: Motion of the City Council of the City of National City approving the waiving of the reading of the text of the Ordinances considered at this meeting and providing that such Ordinances shall be introduced and/or adopted after a reading of the title only. (City Clerk)

**ITEM #**

**12-6-16**

**MOTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY  
APPROVING THE WAIVING OF THE READING OF THE TEXT OF THE  
ORDINANCES CONSIDERED AT THIS MEETING AND PROVIDING  
THAT SUCH ORDINANCES SHALL BE INTRODUCED AND/OR  
ADOPTED AFTER A READING OF THE TITLE ONLY.**

**(CITY CLERK)**

The following page(s) contain the backup material for Agenda Item: Approval of the Minutes of the Regular Meeting of the City Council and Community Development Commission - Housing Authority of the City of National City of November 1, 2016.  
(City Clerk)

Item # \_\_\_\_

12/06/16

**APPROVAL OF THE MINUTES OF THE REGULAR MEETING  
OF THE CITY COUNCIL AND COMMUNITY DEVELOPMENT  
COMMISSION – HOUSING AUTHORITY OF THE CITY OF  
NATIONAL CITY OF NOVEMBER 1, 2016.**

(City Clerk)

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**MINUTES OF THE REGULAR MEETING OF THE  
CITY COUNCIL AND COMMUNITY DEVELOPMENT COMMISSION –  
HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY**

**November 1, 2016**

The Regular Meeting of the City Council and Community Development Commission – Housing Authority of the City of National City was called to order at 6:35 p.m. by Mayor / Chairman Ron Morrison.

**ROLL CALL**

Council / Board members present: Cano, Mendivil, Morrison, Rios, Sotelo-Solis.  
Administrative Officials present: Dalla, Deese, Duong, Eiser, Manganiello, Parra, Raulston, Roberts, Rodriguez, Stevenson, Vergara, Williams.  
Others present: Student Representative Jose Estrada.

**PLEDGE OF ALLEGIANCE TO THE FLAG BY MAYOR RON MORRISON**

**PUBLIC COMMENTS**

Don Smith, National City, related problems he continues to experience from a neighboring property and requested assistance.

The Employee Picnic Committee thanked the City Council and the many sponsors that made the employee picnic a success.

Edna Concepcion, Bonita, spoke about her experience dealing with one of the candidates for City Treasurer.

Lydia Loristo, El Cajon, expressed her opinion about one of the candidates for City Treasurer.

Anita Brinkley, National City, related an unpleasant incident she experienced while attending the State of the City Address and stated her intent to file a formal complaint.

**AWARDS AND RECOGNITIONS**

**COUNCIL MEETING PRESENTATIONS / AWARDS & RECOGNITIONS 2016  
(102-10-11)**

1. City of National City awarded a Platinum Level Beacon Spotlight Award.  
(Planning)



## **AWARDS AND RECOGNITIONS (cont.)**

### **COUNCIL MEETING PRESENTATIONS / AWARDS & RECOGNITIONS 2016 (102-10-11)**

2. City of National City awarded Circulate San Diego Healthy Communities Award: Paradise Creek Educational Park Urban Greening Project. (Planning)

## **PRESENTATIONS**

### **COUNCIL MEETING PRESENTATIONS / AWARDS & RECOGNITIONS 2016 (102-10-11)**

3. Unified Port of San Diego Update - Robert "Dukie" Valderrama - Port Commissioner, Vice Chairman
- 3a. Mayor Morrison presented several books donated by former Philippine President Fidel Ramos to City Librarian Minh Duong.

## **INTERVIEWS / APPOINTMENTS**

### **BOARDS & COMMISSIONS ADMIN (101-1-1)**

4. Interviews and Appointments: Boards & Commissions – Current Vacancy (Community and Police Relations Commission). (City Clerk)  
Derek Jones appeared for interview.

**ACTION:** Motion by Morrison, seconded by Rios, to appoint Derek Jones to the Community and Police Relations Commission.  
Carried by unanimous vote.

## **CITY COUNCIL**

## **CONSENT CALENDAR**

**ADOPTION OF CONSENT CALENDAR.** Item No. 5 (NMC), Item No. 6 (Minutes), Item Nos. 7 through 16 (Resolution No. 2016-169 through 2016-178), Item Nos. 17 and 18 (Warrant Registers). Motion by Cano, seconded by Mendivil, to approve the Consent Calendar. Carried by unanimous vote.

### **MUNICIPAL CODE 2016 (506-2-31)**

5. MOTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING THE WAIVING OF THE READING OF THE TEXT OF THE ORDINANCES CONSIDERED AT THIS MEETING AND PROVIDING THAT SUCH ORDINANCES SHALL BE INTRODUCED AND/OR ADOPTED AFTER A READING OF THE TITLE ONLY. (City Clerk)

**ACTION:** Approved. See above.

**CONSENT CALENDAR (cont.)**

**APPROVAL OF MINUTES**

6. APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL AND COMMUNITY DEVELOPMENT COMMISSION – HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY OF OCTOBER 18, 2016. (City Clerk)

**ACTION:** Approved. See above.

**CONTRACT (C2015-56)**

7. Resolution No. 2016-169. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY 1) AUTHORIZING THE ACCEPTANCE OF A GRANT AWARD IN THE AMOUNT OF \$70,000 FROM THE OFFICE OF TRAFFIC SAFETY (OTS) FOR THE SELECTIVE TRAFFIC ENFORCEMENT PROGRAM (STEP) GRANT 2017 TO CONDUCT DUI AND TRAFFIC RELATED ENFORCEMENT OPERATIONS FOR THE POLICE DEPARTMENT; 2) AUTHORIZING THE CHIEF OF POLICE TO EXECUTE THE AGREEMENT OF THE AWARD OF THE GRANT FUNDS; AND 3) AUTHORIZING THE ESTABLISHMENT OF FUND APPROPRIATIONS AND A CORRESPONDING REVENUE BUDGET. (Police)

**ACTION:** Adopted. See above.

**CONTRACT (C2015-11)**

8. Resolution No. 2016-170. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH THE COAST COMMUNITY COLLEGE DISTRICT (GOLDEN WEST COLLEGE) TO PROVIDE TRAINING SERVICES. THE TRAINING PROGRAM TO BE PROVIDED IS THE PUBLIC SAFETY DISPATCH SUPERVISOR COURSE. THE COST OF THE TRAINING WILL BE \$ 395.00 PER STUDENT FOR UP TO FOUR STUDENTS FOR A TOTAL COST OF \$1,580.00 FOR AN 80 HOUR COURSE. (Police)

**ACTION:** Adopted. See above.

**CONTRACT (C2014-51)**

9. Resolution No. 2016-171. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY WAIVING THE FORMAL BID PROCESS CONSISTENT WITH NATIONAL CITY MUNICIPAL CODE SECTION 2.60.260 REGARDING COOPERATIVE PURCHASING AND AUTHORIZING THE CITY (BUYER) TO PIGGYBACK THE CITY OF ENCINITAS RFP CONTRACT #2012-01 FOR URBAN FORESTRY MAINTENANCE SERVICES TO EXECUTE AN AGREEMENT WITH WEST COAST ARBORISTS, INC. (WCA) FOR TREE TRIMMING SERVICES IN AN AMOUNT NOT TO EXCEED \$90,000. (Engineering/Public Works)

**ACTION:** Adopted. See above.

**CONSENT CALENDAR (cont.)**

**ENGINEERING / PUBLIC WORKS DEPT - GRANTS / REPORTS ADMIN  
(1104-1-1)**

10. Resolution No. 2016-172. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY AUTHORIZING SUBMITTAL OF APPLICATIONS FOR ALL STATE OF CALIFORNIA DEPARTMENT OF RESOURCES, RECYCLING AND RECOVERY (CALRECYCLE) GRANTS FOR WHICH THE CITY OF NATIONAL CITY IS ELIGIBLE FOR A PERIOD OF FIVE (5) YEARS. (Engineering/Public Works)

**ACTION:** Adopted. See above.

**CONTRACT (C2016-54)**

11. Resolution No. 2016-173. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, 1) AUTHORIZING THE FILING OF AN APPLICATION FOR ACTIVE TRANSPORTATION GRANT PROGRAM (ATGP) FUNDS THROUGH THE SAN DIEGO ASSOCIATION OF GOVERNMENTS (SANDAG) FOR THE EL TOYON-LAS PALMAS REGIONAL BICYCLE BOULEVARD PROJECT IN THE AMOUNT OF \$1,544,000; 2) ACCEPTING THE TERMS OF THE GRANT AGREEMENT; AND 3) AUTHORIZING THE CITY MANAGER TO ACCEPT THE TRANSNET ATGP FUNDS AND EXECUTE A GRANT AGREEMENT WITH SANDAG, IF SELECTED FOR GRANT AWARD. (Engineering/Public Works)

**ACTION:** Adopted. See above.

**CONTRACT (C2016-55)**

12. Resolution No. 2016-174. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, 1) AUTHORIZING THE FILING OF AN APPLICATION FOR ACTIVE TRANSPORTATION GRANT PROGRAM (ATGP) FUNDS THROUGH THE SAN DIEGO ASSOCIATION OF GOVERNMENTS (SANDAG) FOR THE CITYWIDE SAFE ROUTES TO SCHOOL (SRTS) PEDESTRIAN ENHANCEMENTS PROJECT IN THE AMOUNT OF \$1,678,000; 2) ACCEPTING THE TERMS OF THE GRANT AGREEMENT; AND 3) AUTHORIZING THE CITY MANAGER TO ACCEPT THE TRANSNET ATGP FUNDS AND EXECUTE A GRANT AGREEMENT WITH SANDAG, IF SELECTED FOR GRANT AWARD. (Engineering/Public Works)

**ACTION:** Adopted. See above.

**CONSENT CALENDAR (cont.)**

**CONTRACT (C2015-30)**

13. Resolution No. 2016-175. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, 1) AUTHORIZING THE FILING OF AN APPLICATION FOR ACTIVE TRANSPORTATION GRANT PROGRAM (ATGP) FUNDS THROUGH THE SAN DIEGO ASSOCIATION OF GOVERNMENTS (SANDAG) FOR THE EUCLID AVENUE BICYCLE AND PEDESTRIAN ENHANCEMENTS PROJECT IN THE AMOUNT OF \$3,335,000; 2) COMMITTING TO A LOCAL MATCH OF \$200,000; 3) ACCEPTING THE TERMS OF THE GRANT AGREEMENT; AND 4) AUTHORIZING THE CITY MANAGER TO ACCEPT THE TRANSNET ATGP FUNDS AND EXECUTE A GRANT AGREEMENT WITH SANDAG, IF SELECTED FOR GRANT AWARD. (Engineering/Public Works)

**ACTION:** Adopted. See above.

**CONTRACT (C2016-56)**

14. Resolution No. 2016-176. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, 1) AUTHORIZING THE FILING OF AN APPLICATION FOR SUSTAINABLE TRANSPORTATION PLANNING GRANT PROGRAM FUNDS THROUGH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS) FOR NATIONAL CITY'S INTRA-CONNECT PROJECT (INTEGRATING NEIGHBORHOODS WITH TRANSPORTATION ROUTES FOR ALL) IN THE AMOUNT OF \$230,000; 2) COMMITTING TO A LOCAL MATCH OF \$70,000; AND 3) AUTHORIZING THE CITY MANAGER TO EXECUTE THE GRANT AGREEMENT WITH CALTRANS, IF SELECTED FOR GRANT AWARD. (Engineering/Public Works)

**ACTION:** Adopted. See above.

**COUNCIL POLICY MANUAL (102-13-1)**

15. Resolution No. 2016-177. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY ADOPTING CITY COUNCIL POLICY #713 – ENVIRONMENTALLY PREFERABLE PURCHASES AND PRACTICES (EPPP). (Engineering/Public Works)

**ACTION:** Adopted. See above.

**CONSENT CALENDAR (cont.)**

**DEED (D2016-3)**

**CDC - OWNED LAND ADMIN (1001-3-4)**

**HOUSING AUTHORITY 2016 (404-1-5)**

16. Resolution No. 2016-178. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY ACCEPTING THE TRANSFER BY GRANT DEED OF CERTAIN REAL PROPERTY FROM THE COMMUNITY DEVELOPMENT COMMISSION-HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY CONSISTING OF A 385 SQUARE FOOT SLIVER OF LAND FOR PUBLIC ACCESS IMPROVEMENTS ON HOOVER AVENUE ADJACENT TO THE PHASE II HOUSING PROJECT OF THE WESTSIDE INFILL TRANSIT ORIENTED DEVELOPMENT. (Housing and Economic Development)

**ACTION:** Adopted. See above.

**WARRANT REGISTER JULY 2016 – JUNE 2017 (202-1-31)**

17. Warrant Register #13 for the period of 09/21/16 through 09/27/16 in the amount of \$2,136,821.84. (Finance)

**ACTION:** Ratified. See above.

**WARRANT REGISTER JULY 2016 – JUNE 2017 (202-1-31)**

18. Warrant Register #14 for the period of 09/28/16 through 10/04/16 in the amount of \$1,675,164.55. (Finance)

**ACTION:** Ratified. See above.

**ORDINANCES FOR ADOPTION**

**MUNICIPAL CODE 2016 (506-2-31)**

19. Ordinance No. 2016-2416. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY ADDING CHAPTER 10.14 TO TITLE 10 OF THE NATIONAL CITY MUNICIPAL CODE TO PROHIBIT ALL COMMERCIAL MARIJUANA ACTIVITY IN THE CITY OF NATIONAL CITY, REGULATE THE CULTIVATION OF RECREATIONAL MARIJUANA FOR PERSONAL USE, AND REGULATE THE POSSESSION OF RECREATIONAL MARIJUANA IN ANTICIPATION OF PROPOSITION 64, THE CONTROL, REGULATE, AND TAX ADULT USE OF MARIJUANA ACT (AUMA), PASSING ON NOVEMBER 8, 2016. (City Attorney)

**RECOMMENDATION:** Adopt the Ordinance.

**TESTIMONY:** None.

**ACTION:** Motion by Mendivil, seconded by Cano, to adopt the Ordinance. Carried by unanimous vote.

**COMMUNITY DEVELOPMENT COMMISSION –  
HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY**

**CONSENT RESOLUTIONS – HOUSING AUTHORITY**

**ADOPTION OF CONSENT RESOLUTIONS.** Item No. 20 and 21 (Resolution No. 2016-44 and 2016-45). Motion by Rios, seconded by Sotelo-Solis, to adopt the Consent Resolutions. Carried by unanimous vote.

**CONTRACT (C2016-57)**

20. Resolution No. 2016-44. RESOLUTION OF THE COMMUNITY DEVELOPMENT COMMISSION-HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY AUTHORIZING THE CHAIRMAN TO EXECUTE A SUBORDINATION AGREEMENT ALLOWING A NEW MORTGAGE THAT IS NOT-TO-EXCEED \$106,000 TO BE AND REMAIN A LIEN PRIOR AND SUPERIOR TO A HOME PURCHASE ASSISTANCE LOAN ON A SINGLE-FAMILY RESIDENCE LOCATED AT 1928 E AVENUE IN NATIONAL CITY. (Housing & Economic Development Department)

**ACTION:** Adopted. See above.

**DEED (D2016-3)**

**CDC - OWNED LAND ADMIN (1001-3-4)**

**HOUSING AUTHORITY 2016 (404-1-5)**

21. Resolution No. 2016-45. RESOLUTION OF THE COMMUNITY DEVELOPMENT COMMISSION-HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY AUTHORIZING THE CHAIRMAN TO EXECUTE A GRANT DEED TRANSFERRING CERTAIN REAL PROPERTY FROM THE COMMUNITY DEVELOPMENT COMMISSION-HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY TO THE CITY OF NATIONAL CITY CONSISTING OF A 385 SQUARE FOOT SLIVER OF LAND FOR PUBLIC ACCESS IMPROVEMENTS ON HOOVER AVENUE ADJACENT TO THE PHASE II HOUSING PROJECT OF THE WESTSIDE INFILL TRANSIT ORIENTED DEVELOPMENT. (Housing and Economic Development)

**ACTION:** Adopted. See above.

**STAFF REPORTS**

Emergency Services Director Parra reported on the Halloween Tower of Terror event, a collaboration between the FFA, city departments, community groups and businesses that had almost 2700 attendees this year. Member Parra also reported on the joint effort between Police and Fire Department personnel, the American Red Cross and Cert Volunteers to install smoke alarms in two mobile home parks.

City Manager Deese reminded the Council that the City and Port District will be issuing a joint RFP for potential operators of the Aquatic Center.

## MAYOR AND CITY COUNCIL

Member Mendivil thanked those involved in putting on the Tower of Terror event on Halloween and the One Sight program to provide needed glasses to students. Member Mendivil also complimented the efforts for the Together We Can program.

Member Sotelo-Solis complimented the Firefighters Association for the family friendly Tower of Terror event and reminded everyone that next week is Election Day.

Member Rios acknowledged, with appreciation, City Manager Leslie Deese hosting an employee Halloween Luncheon; reported on complaints about a possible mosquito infestation; requested consideration be given to locating a bus stop at the library and reminded everyone about the passing of Chunky Sanchez.

Member Cano also reported hearing concerns about mosquitos; suggested the possibility of having a security guard at Kimball Park to deter confrontations between baseball players and skate park users; look into cleaning trash containers around Price Breakers and putting a cover over the bus stop at Wal-Mart.

Mayor Morrison acknowledged the Tower of Terror and all who participated to make it a huge success for the community; thanked the City Manager for hosting the Employee Halloween Luncheon, complimented the Day of the Dead program at La Vista and showed several photos taken at the State of the City Address highlighting the event, local restaurants, participants, volunteers, staff and attendees.

## CLOSED SESSION REPORT

There was no Closed Session.

## ADJOURNMENT

Motion by Cano, seconded by Mendivil, to adjourn the meeting to the next Regular Meeting of the City Council and Community Development Commission – Housing Authority of the City of National City to be held Tuesday, November 15, 2016 at 6:00 p.m. at the Council Chambers, National City, California. Carried by unanimous vote.

The meeting closed at 8:20 p.m.

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City Clerk

The foregoing minutes were approved at the Regular Meeting of December 6, 2016.

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Mayor

City Council and Community Development Commission - Housing Authority of the City of National City Meeting Schedule for the Period January 3, 2017 through January 17, 2017:

January 03 - Dispense with Meeting - 6:00 pm  
January 17 - Regular Meeting - 6:00 pm



The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City approving the implementation of a Holiday Food for Fines Pilot Program from December 7, 2016 through January 31, 2017 to accept food donations at the National City Library in exchange for the red

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.** \_\_\_\_\_

**ITEM TITLE:**

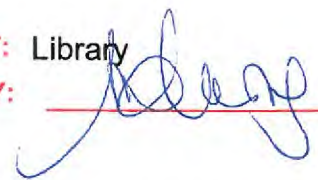
Resolution of the City Council of the City of National City approving the implementation of a Holiday Food for Fines Pilot Program from December 7, 2016 through January 31, 2017 to accept food donations at the National City Library in exchange for the reduction of overdue library fines by \$1 for each item donated in honor of the holiday spirit of giving.

**PREPARED BY:** M. Duong

**DEPARTMENT:** Library

**PHONE:** 619-470-5882

**APPROVED BY:** \_\_\_\_\_



**EXPLANATION:**

During the Food for Fines Program, the Library will waive overdue fines as patrons bring in food donations. One non-perishable food item equals \$1 in overdue charges forgiven, up to a maximum of \$10 per library card account. All collected food items will go to a local food bank.

See attached report.

**FINANCIAL STATEMENT:**

**ACCOUNT NO.** \_\_\_\_\_

**APPROVED:** \_\_\_\_\_ **Finance**

**APPROVED:** \_\_\_\_\_ **MIS**



**ENVIRONMENTAL REVIEW:**

**ORDINANCE:** INTRODUCTION: ☐

**FINAL ADOPTION:** ☐

**STAFF RECOMMENDATION:**

Approval recommended

**BOARD / COMMISSION RECOMMENDATION:**

Endorsed by the Library Board of Trustees

**ATTACHMENTS:**

1. Resolution
2. Staff Report



NATIONAL CITY PUBLIC LIBRARY

1401 National City Boulevard National City, CA 91950 619-470-5830

## **CITY COUNCIL REPORT**

December 6, 2016

### **ITEM**

Resolution of the City Council of the City of National City approving the implementation of a *Holiday Food for Fines Pilot Program* from December 7, 2016 through January 31, 2017 to accept food donations at the National City Library in exchange for the reduction of overdue library fines by \$1 for each item donated in honor of the holiday spirit of giving.

### **BACKGROUND**

Turning late fees into charity, which is the concept behind the Food for Fines Program, is a way for library patrons to reduce or eliminate overdue fines while giving back to the community. Many libraries across the nation have participated in food drives during holiday season for years by way of accepting non-perishable food in lieu of fines payment.

### **SCOPE OF PROGRAM**

The fine waiver is only for a limited period of time; it typically runs around the holiday season. The goal is to let patrons make amends for not returning library materials on time, help them get their accounts back into good standing in order to fully take advantage of all the resources provided at the library. At the same time, the event aims at sparking the spirit of giving, making people feel good about being generous and caring for the families in need. The Library will also accept donations of food from people who do not owe fines.

#### **Rules and Regulations**

- For each food item patrons bring in, a \$1 will be waived from their existing overdue fines up to a maximum of \$10 per library card account.

- Only overdue fines will be waived. All overdue items must have been returned, checked in, and as a result assessed for fines to be waived. Lost or damaged book charges and library card replacement fees are excluded from the waiver.
- Food items must be brought to a library staff member at the Check-out Desk during regular hours of operation.
- Donated food items may not be opened, damaged, or past their expiration date. Suggested items are boxed or canned non-perishable food. Home-canned items, canned food that is dented or with a bar code that has been lined/scratched through, food in a glass container, items separated from multipacks, sample size items and perishable will not be accepted.

For FY2016-17, the Library proposes to run the Food for Fines drive as a pilot program, from December 7, 2016 to end of January 2017. If successful, we are requesting City Council's approval to turn it into an annual event, which will typically run from mid-November to end of December each year.

### **FISCAL IMPACT**

It is not possible at this time to accurately predict the financial impact of the proposed program. For records keeping and as per our practice relating to any fines waiving, the Library will assign a waiver code "FFF" to all Food for Fines transactions completed during the first food drive. This will allow us to run reports that will give us a better sense of the total amount forgiven. We believe however that apart from a minimal outlay of staff time, the loss in income will not be significant.

### **RECOMMENDATION**

Approve resolution to implement a Food for Fines Program.

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City adopting amendments to the City Council Policy Manual; Chapter 600: Personnel Services (Policy 602 - Council Clerical Staff), Chapter 700: Traffic and Public Safety (Policy 705 - Fire Hydrants),



**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

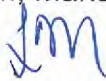
**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.** |

**ITEM TITLE:**

Resolution of the City Council of the City of National City Adopting Amendments to the City Council Policy Manual; Chapter 600: Personnel Services (Policy 602 – Council Clerical Staff), Chapter 700: Traffic and Public Safety (Policy 705 – Fire Hydrants), Chapter 1000: Risk Management (Policy 1001 – Risk).

**PREPARED BY:** Lauren Maxilom, Management Analyst II



**DEPARTMENT:** City Manager's Office

**APPROVED BY:** 

**EXPLANATION:**

As per Council Policy #101, the City Council Policy Manual is reviewed on an annual basis, and updated as necessary. At this time staff proposes amending the following policies from Chapters 600, 700 and 1000 of the Manual:

Policy 602 - City Council Clerical Staff  
Policy 705 - Installation of Fire Hydrants  
Policy 1001 – Risk Management Policy

Additional proposed amendments to City Council Policy Manual Chapters will be brought back at future meetings.

**FINANCIAL STATEMENT:**

**ACCOUNT NO.** n/a

**APPROVED:** \_\_\_\_\_ Finance

**APPROVED:** \_\_\_\_\_ MIS

**ENVIRONMENTAL REVIEW:**

n/a

**ORDINANCE:** INTRODUCTION: ☐ FINAL ADOPTION: ☐

**STAFF RECOMMENDATION:**

Review and approve policy amendments as submitted

**BOARD / COMMISSION RECOMMENDATION:**

n/a

**ATTACHMENTS:**

Policy 602 1) existing policy, 2) red-line strike out; proposed policy, 3) final draft  
Policy 705 1) existing policy, 2) red-line strike out; proposed policy, 3) final draft  
Policy 1001 1) existing policy, 2) red-line strike out; proposed policy, 3) final draft

# CITY COUNCIL POLICY

## CITY OF NATIONAL CITY

**TITLE: City Council Clerical Staff and  
Executive Assistant to the Mayor**

**POLICY #602**

**ADOPTED: August 20, 1985**

**AMENDED: January 21, 1986  
December 16, 2008**

### Purpose

To establish guidelines for the evaluation or replacement of the City Council Clerical Staff and Executive Assistant to the Mayor.

### Policy

It shall be the responsibility of the Vice Mayor to confer with the Mayor to coordinate the performance evaluation or replacement of the City Council Clerical Staff and Executive Assistant to the Mayor. The Vice Mayor shall confer with the Mayor to make recommendations on performance, pay increases, and the need for temporary assistance in case of absences.

The Vice Mayor will also be responsible to confer with the Mayor for the annual review and evaluation of the performance of the City Council Clerical Staff and Executive Assistant to the Mayor.

### Related Policy Procedures

None



# CITY COUNCIL POLICY

## CITY OF NATIONAL CITY

**TITLE:** City Council Clerical Staff and  
Executive Assistant to the Mayor

**POLICY #602**

**ADOPTED:** August 20, 1985

**AMENDED:** December 16, 2008

### Purpose

To establish guidelines for the selection and evaluation or replacement of the City Council Clerical and Administrative Support Staff and Executive Assistant to the Mayor assigned to support the Offices of the Mayor and City Council.

### Policy

It shall be the responsibility of the Vice Mayor ~~to confer with the Mayor to~~ to coordinate the selection and performance evaluation or replacement of the clerical and administrative staff assigned to the offices of the Mayor and City Council. ~~City Council Clerical Staff and Executive Assistant to the Mayor.~~

For clerical and administrative staff positions assigned to the City Council Department but reporting to the Office of the City Manager:

1. The City Manager or designee shall be responsible for assigning staff to support the Mayor and City Council. The City Manager may confer with the Vice Mayor prior to making such assignments.
2. The Vice Mayor shall provide periodic updates to the City Manager, or designee on the job performance of support staff.
3. The Vice Mayor shall provide input to the City Manager, or designee in the preparation of annual performance evaluations.

For clerical and administrative staff positions assigned and reporting to the City Council Department:

1. The Vice Mayor shall be responsible for conducting annual performance evaluations for support staff assigned to the City Council Department.
2. The Vice Mayor shall be responsible for conferring with and making recommendations to the Mayor on the performance and annual performance evaluations of support staff assigned to the Mayor.
3. The Mayor shall be responsible for conducting annual performance evaluations for support staff assigned to the Mayor.
- 1.4. The Vice Mayor shall confer with the Mayor to make recommendations on performance, pay increases (should this simply say "salary" rather than be specific to pay "increases"?, and the need for temporary assistance in case of absences.



# CITY COUNCIL POLICY

## CITY OF NATIONAL CITY

~~The Vice Mayor will also be responsible to confer with the Mayor for the annual review and evaluation of the performance of the City Council Clerical Staff and Executive Assistant to the Mayor.~~

Selection processes, starting compensation and compensation adjustments for clerical and administrative staff assigned to the City Council Department shall be administered in a manner consistent with policies governing the occupational group of each employee's job classification.

### **Related Policy ~~Procedures~~References**

None.

### **Prior Policy Amendments**

January 21, 1986

December 16, 2008

# CITY COUNCIL POLICY

## CITY OF NATIONAL CITY

**TITLE: City Council Clerical Staff and  
Executive Assistant to the Mayor**

**POLICY #602**

**ADOPTED: August 20, 1985**

**AMENDED: December 16, 2008**

### **Purpose**

To establish guidelines for the selection and evaluation of the Clerical and Administrative Support Staff assigned to support the Offices of the Mayor and City Council.

### **Policy**

It shall be the responsibility of the Vice Mayor to coordinate the selection and performance evaluation of the clerical and administrative staff assigned to the offices of the Mayor and City Council.

For clerical and administrative staff positions assigned to the City Council Department but reporting to the Office of the City Manager:

1. The City Manager or designee shall be responsible for assigning staff to support the Mayor and City Council. The City Manager may confer with the Vice Mayor prior to making such assignments.
2. The Vice Mayor shall provide periodic updates to the City Manager, or designee on the job performance of support staff.
3. The Vice Mayor shall provide input to the City Manager, or designee in the preparation of annual performance evaluations.

For clerical and administrative staff positions assigned and reporting to the City Council Department:

1. The Vice Mayor shall be responsible for conducting annual performance evaluations for support staff assigned to the City Council Department.
2. The Vice Mayor shall be responsible for conferring with and making recommendations to the Mayor on the performance and annual performance evaluations of support staff assigned to the Mayor.
3. The Mayor shall be responsible for conducting annual performance evaluations for support staff assigned to the Mayor.
4. The Vice Mayor shall confer with the Mayor to make recommendations on the need for temporary assistance in case of absences.

Selection processes, starting compensation and compensation adjustments for clerical and administrative staff assigned to the City Council Department shall be administered in a manner consistent with policies governing the occupational group of each employee's job classification.

# CITY COUNCIL POLICY

## CITY OF NATIONAL CITY

### Related Policy References

None.

### **Prior Policy Amendments**

January 21, 1986

December 16, 2008

FINAL

# CITY COUNCIL POLICY

## CITY OF NATIONAL CITY

**TITLE: Installation of Fire Hydrants**

**POLICY #705**

**ADOPTED: 11-14-89**

**AMENDED:**

### Purpose

The purpose of this Policy is to provide a uniform and equitable procedure applicable to the installation of fire hydrants for the protection of life and property.

### Policy

The provisions of this Policy shall apply to all properties located within the corporate limits of National City whether those properties be privately owned or public domain.

The Chief of the Fire Department (the Fire Marshal, or other persons authorized to represent the Fire Chief) is hereby authorized and directed to administer the provisions of this Policy. For such purpose he shall receive the cooperation of other departments, divisions, etc. of the City.

The location of all fire hydrants and the required gallons per minute (GPM) fire flow for each hydrant shall be established by the Fire Chief, based upon minimum requirements of the Uniform Fire Code (U.F.C.); recommended standards as published by the Insurance Service Office (I.S.O.), and/or other applicable regulations.

When new hydrants are installed to reduce spacing, the following shall apply:

- (a) When existing fire hydrants located within the public right-of-way of any street or public way exceed a spacing in accordance with the Uniform Fire Code, (or when in the opinion of the Fire Chief, the interest of public safety will be served, he may direct the water utility company to install additional fire hydrants.
- (b) Costs incurred by the installation of fire hydrants authorized under paragraph (a) of this section shall be paid by the City provided that funds for such installations have been approved by the City Council and are included in the current City budget. Such costs shall be limited to installation charges only and shall not include water storage assessment fees, water main line extensions/replacement or other charges.
- (c) Fire hydrants installed under this policy for which payment is made from public funds, shall be available for the protection of the general public, and not for the sole protection of a particular building or group of buildings.

When new hydrants are installed for construction projects, the following shall apply:

- (a) The application, plans, and specifications filed by an applicant for a building permit shall be reviewed by the Fire Chief to check compliance with rules and regulations under his jurisdiction. When such plan check confirms the requirement for the installation of an on-site or off-site fire hydrant(s) due to the proposed construction, that fact shall be clearly noted on the approved plans. The approximate location, minimum required GPM fire flow and/or any other pertinent data relating to the installation of the fire hydrant(s) shall also be noted as a plan correction.
- (b) It shall be the sole responsibility of the project developer or the owner of the property to negotiate with the water utility company for the complete installation of fire hydrant(s) required by the Fire Chief. Any and all costs assessed by the water utility company relating to the installation of such fire hydrant(s), the attendant properly sized water main lines (if required), water storage/assessment fees or other charges shall be borne by the project developer or other owner of the property. It shall not be incumbent upon the City of National City to participate in any such costs.

Related Policy References

City Council Resolution No. 13, 315, "Regulating the Installation of Fire Hydrants".



# CITY COUNCIL POLICY

## CITY OF NATIONAL CITY

**TITLE:** Installation of Fire Hydrants

**POLICY #705**

**ADOPTED:** 11-14-89

**AMENDED:** 12-16-16

### Purpose

The purpose of this Policy is to provide a uniform and equitable procedure applicable to the installation of fire hydrants as an approved water supply, capable of supplying the required fire flow for protection, shall be provided to premises upon which facilities, buildings or portions of buildings are hereafter constructed or moved into or within the jurisdiction for the protection of life and property.

### Policy

The provisions of this Policy shall apply to all properties located within the corporate limits of National City whether those properties be privately owned or public domain.

The ~~Chief of the Fire Department~~Director of Emergency Services (the Fire Marshal, or other persons authorized to represent the ~~Fire Chief~~Director of Emergency Services) is hereby authorized and directed to administer the provisions of this Policy. For such purpose he shall receive the cooperation of other departments, divisions, etc. of the City.

The location of all fire hydrants and the required gallons per minute (GPM) fire flow for each hydrant shall be established by the ~~Fire Chief~~Director of Emergency Services (the Fire Marshall, or other persons authorized to represent the Director of Emergency Services), based upon minimum requirements of the ~~Uniform-California~~ Fire Code California Fire Code of Regulations Title 24, Part 9, based on the current edition of the International Fire Code: (U.F.C.); recommended standards as published by the Insurance Service Office (I.S.O.), and/or other applicable regulations.

When new hydrants are installed to reduce spacing, the following shall apply:

- (a) When existing fire hydrants located within the public right-of-way of any street or public way exceed a spacing in accordance with the Uniform-California Fire Code California Fire Code of Regulations Title 24, Part 9, based on the current edition of the international Fire Code; (or when in the opinion of the ~~Fire Chief~~Director of Emergency Services (the Fire Marshall, or other persons authorized to represent the Director of Emergency Services) , the interest of public safety will be served, he may direct the water utility company to install additional fire hydrants.



- (b) Costs incurred by the installation of fire hydrants authorized under paragraph (a) of this section shall be paid by the City provided that funds for such installations have been approved by the City Council and are included in the current City budget. Such costs shall be limited to installation charges only and shall not include water storage assessment fees, water main line extensions/replacement or other charges.
- (c) Fire hydrants installed under this policy for which payment is made from public funds, shall be available for the protection of the general public, and not for the sole protection of a particular building or group of buildings.

When new hydrants are installed or a portion of the facility or building hereafter constructed or moved into or within the jurisdiction is more than 400 feet from a hydrant on a fire apparatus road, as measure by an approved route around the exterior of a facility of building on-site fire hydrants and mains shall be provided where required by the fire code official:

~~for construction projects, the following shall apply:~~

- (a) The application, plans, and specifications filed by an applicant for a building permit shall be reviewed by the Fire Chief Director of Emergency Services (the Fire Marshall, or other persons authorized to represent the Director of Emergency Services) to check compliance with rules and regulations under his jurisdiction. When such plan check confirms the requirement for the installation of an on-site or off-site fire hydrant(s) due to the proposed construction, that fact shall be clearly noted on the approved plans. The approximate location, minimum required GPM fire flow and/or any other pertinent data relating to the installation of the fire hydrant(s) shall also be noted as a plan correction.
- (b) It shall be the sole responsibility of the project developer or the owner of the property to negotiate with the water utility company for the complete installation of fire hydrant(s) required by the Fire Chief Director of Emergency Services (the Fire Marshall, or other persons authorized to represent the Director of Emergency Services). Any and all costs assessed by the water utility company relating to the installation of such fire hydrant(s), the attendant properly sized water main lines (if required), water storage/assessment fees or other charges shall be borne by the project developer or other owner of the property. It shall not be incumbent upon the City of National City to participate in any such costs.

#### Related Policy References

City Council Resolution No. 13, 315, "Regulating the Installation of Fire Hydrants".

# CITY COUNCIL POLICY

## CITY OF NATIONAL CITY

**TITLE: Installation of Fire Hydrants**

**POLICY #705**

**ADOPTED: 11-14-89**

**AMENDED: 12-16-16**

### Purpose

The purpose of this Policy is to provide a uniform and equitable procedure applicable to the installation of fire hydrants as an approved water supply, capable of supplying the required fire flow for protection, shall be provided to premises upon which facilities, buildings or portions of buildings are hereafter constructed or moved into or within the jurisdiction for the protection of life and property.

### Policy

The provisions of this Policy shall apply to all properties located within the corporate limits of National City whether those properties be privately owned or public domain.

The Director of Emergency Services (the Fire Marshal, or other persons authorized to represent the Director of Emergency Services) is hereby authorized and directed to administer the provisions of this Policy. For such purpose he shall receive the cooperation of other departments, divisions, etc. of the City.

The location of all fire hydrants and the required gallons per minute (GPM) fire flow for each hydrant shall be established by the Director of Emergency Services (the Fire Marshal, or other persons authorized to represent the Director of Emergency Services), based upon minimum requirements of the California Fire Code California Fire Code of Regulations Title 24, Part 9, based on the current edition of the International Fire Code: recommended standards as published by the Insurance Service Office (I.S.O.), and/or other applicable regulations.

When new hydrants are installed to reduce spacing, the following shall apply:

- (a) When existing fire hydrants located within the public right-of-way of any street or public way exceed a spacing in accordance with the California Fire Code California Fire Code of Regulations Title 24, Part 9, based on the current edition of the international Fire Code:, or when in the opinion of the Director of Emergency Services (the Fire Marshal, or other persons authorized to represent the Director of Emergency Services), the interest of public safety will be served, he may direct the water utility company to install additional fire hydrants.



- (b) Costs incurred by the installation of fire hydrants authorized under paragraph (a) of this section shall be paid by the City provided that funds for such installations have been approved by the City Council and are included in the current City budget. Such costs shall be limited to installation charges only and shall not include water storage assessment fees, water main line extensions/replacement or other charges.
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When new hydrants are installed or a portion of the facility or building hereafter constructed or moved into or within the jurisdiction is more than 400 feet from a hydrant on a fire apparatus road, as measure by an approved route around the exterior of a facility of building on-site fire hydrants and mains shall be provided where required by the fire code official:

- (a) The application, plans, and specifications filed by an applicant for a building permit shall be reviewed by the Director of Emergency Services (the Fire Marshall, or other persons authorized to represent the Director of Emergency Services) to check compliance with rules and regulations under his jurisdiction. When such plan check confirms the requirement for the installation of an on-site or off-site fire hydrant(s) due to the proposed construction, that fact shall be clearly noted on the approved plans. The approximate location, minimum required GPM fire flow and/or any other pertinent data relating to the installation of the fire hydrant(s) shall also be noted as a plan correction.
- (b) It shall be the sole responsibility of the project developer or the owner of the property to negotiate with the water utility company for the complete installation of fire hydrant(s) required by the Director of Emergency Services (the Fire Marshall, or other persons authorized to represent the Director of Emergency Services). Any and all costs assessed by the water utility company relating to the installation of such fire hydrant(s), the attendant properly sized water main lines (if required), water storage/assessment fees or other charges shall be borne by the project developer or other owner of the property. It shall not be incumbent upon the City of National City to participate in any such costs.

#### Related Policy References

City Council Resolution No. 13, 315, "Regulating the Installation of Fire Hydrants".

# CITY COUNCIL POLICY

## CITY OF NATIONAL CITY

**TITLE: Risk Management Policy**

**POLICY #1001**

**ADOPTED: October 23, 1990**

**AMENDED:**

### Purpose

The City of National City recognizes the necessity to be protected against accidental loss which would significantly affect its personnel, property, finances or the ability of the City to fulfill its responsibility to the public. The City interprets its obligation in this area as requiring the highest possible concern for the safety of its employees and the public, combined with a concern that the appropriate protection be accorded City property to prevent financial loss.

### Policy

The City will undertake to manage the risks of loss facing the City, in terms of both human and financial resources utilizing the basic steps of the risk management function: risk identification and measurement, and the treatment techniques of avoidance, transfer, reduction or retention.

Each City employee is responsible for his/her own safety and safe completion of assigned tasks according to recognized industrial standards and bringing to the attention of the Director of Public Works any needed repair and/or maintenance of City facilities and equipment.

The City will avoid incurring disproportionate risks in contractual agreements and all undertakings. In contractual relationships, the City will transfer to others, whenever possible, all risks of loss, unless otherwise directed by the City Council.

The City will retain a risk with self-insurance or deductibles when it can be conveniently treated as a normal operating expense or when the potential loss is predictable enough to be budgeted for in a sound business manner. The guidelines established by City Council Policy 201, "Maintenance of Reserve Funds" will be followed.

The administration of the City's risk management program is assigned to the Risk Manager reporting to the City Manager and working with the City Attorney as necessary.

### Related Policy References

City Council Policy 201

# CITY COUNCIL POLICY

## CITY OF NATIONAL CITY

**TITLE: Risk Management Policy**

**POLICY #1001**

**ADOPTED: October 23, 1990**

**AMENDED:**

### **Purpose**

The City of National City recognizes the necessity to be protected against accidental loss which would significantly affect its personnel, property, finances or the ability of the City to fulfill its responsibility to the public. The City interprets its obligation in this area as requiring the highest possible concern for the safety of its employees and the public, combined with a concern that the appropriate protection be accorded City property to prevent financial loss.

### **Policy**

The City will undertake to manage the risks of loss facing the City, in terms of both human and financial resources utilizing the basic steps of the risk management function: risk identification and measurement, and the treatment techniques of avoidance, transfer, reduction or retention.

Each City employee is responsible for his/her own safety and safe completion of assigned tasks according to recognized industrial standards and for bringing to the attention of their supervisor ~~Director of Public Works~~ any needed repairs and/or maintenance of City facilities and equipment. Supervisors are obligated to look into such reported needed repairs and/or maintenance and to report needed repairs and/or maintenance to the Public Works Department following established work order reporting procedures. The Director of the Public Works Department is responsible for ensuring the completion of repairs and/or maintenance either by departmental staff or contractor. In the event it is determined by the Public Works Department that any equipment or part of a facility is unsafe, it shall be taken out of operation or secured as inaccessible until such repairs and/or maintenance can be completed.

The City will avoid incurring disproportionate risks in contractual agreements and all undertakings. In contractual relationships, the City will transfer to others, whenever possible, all risks of loss, unless otherwise directed by the City Council.

The City will retain a risk with self-insurance or deductibles when it can be conveniently treated as a normal operating expense or when the potential loss is predictable enough to be budgeted for in a sound business manner. The guidelines established by City Council Policy 201, "Maintenance of Reserve Funds" will be followed.

The administration of the City's ~~risk management~~Risk Management program is assigned to the Risk Manager reporting to the City Manager, or designee, and working with the City Attorney as necessary.

# CITY COUNCIL POLICY

## CITY OF NATIONAL CITY

### **Related Policy References**

City Council Policy #201: "[Maintenance of Reserve Funds](#)"  
[Municipal Code, Chapter 600](#)

### **Prior Policy Amendments**

[None](#)



# CITY COUNCIL POLICY

## CITY OF NATIONAL CITY

**TITLE: Risk Management Policy**

**POLICY #1001**

**ADOPTED: October 23, 1990**

**AMENDED:**

### Purpose

The City of National City recognizes the necessity to be protected against accidental loss which would significantly affect its personnel, property, finances or the ability of the City to fulfill its responsibility to the public. The City interprets its obligation in this area as requiring the highest possible concern for the safety of its employees and the public, combined with a concern that the appropriate protection be accorded City property to prevent financial loss.

### Policy

The City will undertake to manage the risks of loss facing the City, in terms of both human and financial resources utilizing the basic steps of the risk management function: risk identification and measurement, and the treatment techniques of avoidance, transfer, reduction or retention.

Each City employee is responsible for his/her own safety and safe completion of assigned tasks according to recognized industrial standards and for bringing to the attention of their supervisor any needed repairs and/or maintenance of City facilities and equipment. Supervisors are obligated to look into such reported needed repairs and/or maintenance and to report needed repairs and/or maintenance to the Public Works Department following established work order reporting procedures. The Director of the Public Works Department is responsible for ensuring the completion of repairs and/or maintenance either by departmental staff or contractor. In the event it is determined by the Public Works Department that any equipment or part of a facility is unsafe, it shall be taken out of operation or secured as inaccessible until such repairs and/or maintenance can be completed.

The City will avoid incurring disproportionate risks in contractual agreements and all undertakings. In contractual relationships, the City will transfer to others, whenever possible, all risks of loss, unless otherwise directed by the City Council.

The City will retain a risk with self-insurance or deductibles when it can be conveniently treated as a normal operating expense or when the potential loss is predictable enough to be budgeted for in a sound business manner. The guidelines established by City Council Policy 201, "Maintenance of Reserve Funds" will be followed.

The administration of the City's Risk Management program is assigned to the Risk Manager reporting to the City Manager, or designee, and working with the City Attorney as necessary.

# CITY COUNCIL POLICY

## CITY OF NATIONAL CITY

### **Related Policy References**

Council Policy #201: "Maintenance of Reserve Funds"  
Municipal Code, Chapter 600

### **Prior Policy Amendments**

None

FINAL

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City adopting City Council Policy # 203, “Investments,” for Fiscal Year 2017. (Finance)

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.**

**ITEM TITLE:**

Resolution of the City Council of the City of National City adopting City Council Policy # 203, "Investments," for Fiscal Year 2017.

**PREPARED BY:** Mark Roberts, Director of Finance

**DEPARTMENT:** Finance

**PHONE:** 619-336-4265

**APPROVED BY:** Mark Roberts

**EXPLANATION:**

City Council Policy # 203, "Investments," Section XII B requires that the City's investment policy be reviewed and adopted at least annually. Following review by staff and consultation of the City's investment advisor, Chandler Asset Management, no revisions are recommended at this time.

**FINANCIAL STATEMENT:**

**APPROVED:** Mark Roberts

Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_

MIS

NA

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, not subject to environmental review.

**ORDINANCE:** INTRODUCTION: ☐

FINAL ADOPTION: ☐

**STAFF RECOMMENDATION:**

Adopt the resolution, adopting City Council Policy 203, "Investments."

**BOARD / COMMISSION RECOMMENDATION:**

NA

**ATTACHMENTS:**

1. Investment Policy
2. Resolution



# CITY COUNCIL POLICY

## CITY OF NATIONAL CITY

<b>TITLE: Investments</b>	<b>POLICY #203</b>
<b>ADOPTED: October 23, 1990</b>	<b>AMENDED: December 6, 2016</b>

### I. INTRODUCTION

The City of National City's investment program will conform to federal, state, and other legal requirements, including California Government Code Sections 16429.1-16429.4, 53600-53609, and 53630-53686. The following investment policy addresses the methods, procedures, and practices which must be exercised to ensure effective and judicious fiscal and investment management of the City's funds. It is the policy of the City to invest public funds in a manner that will provide a market rate of return, given its requirements for preserving principal and meeting the daily cash flow demands of the City. All investments will comply with this Investment Policy and governing laws.

This Investment Policy replaces any previous Investment Policy or Investment Procedures of the City.

### II. SCOPE

This Investment Policy applies to all the City's financial assets and investment activities with the following exception(s):

Proceeds of debt issuance shall be invested in accordance with the City's general investment philosophy as set forth in this policy; however, such proceeds are invested in accordance with permitted investment provisions of their specific bond indentures.

*Pooling of Funds:* Except for cash in certain restricted and special funds, the City will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

### III. GENERAL OBJECTIVES

The overriding objectives of the investment program are to preserve principal, provide sufficient liquidity, and manage investment risks.

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1. *Safety*: Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.
2. *Liquidity*: The investment portfolio will remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.
3. *Return*: The investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints for safety and liquidity needs.

#### **IV. PRUDENCE, INDEMNIFICATION, AND ETHICS**

- A. *Prudent Investor Standard*: Management of the City's investments is governed by the Prudent Investor Standard as set forth in California Government Code Section 53600.3:

“...all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the City, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.”

- B. *Indemnification*: The Director of Finance or City Manager designee hereinafter designated as Financial Services Officer and other authorized persons responsible for managing City funds, acting in accordance with written procedures and the Investment Policy and exercising due diligence, will be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported within 30 days and appropriate action is taken to control adverse developments.
- C. *Ethics*: Officers and employees involved in the investment process will refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

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## **V. DELEGATION OF AUTHORITY**

- A. Authority to manage the City’s investment program is derived from California Government Code Section 53600 *et seq.* The City Council is responsible for the City’s cash management, including the administration of this Investment Policy. Management responsibility for the cash management of City funds is hereby delegated to the Director of Finance and/or Financial Service Officer.

The Director of Finance and/or Financial Services Officer will be responsible for all transactions undertaken and will establish a system of procedures and controls to regulate the activities of subordinate employee.

- B. The City may engage the services of one or more external investment managers to assist in the management of the City’s investment portfolio in a manner consistent with the City’s objectives. Such external managers may be granted discretion to purchase and sell investment securities in accordance with this Investment Policy. Such managers must be registered under the Investment Advisers Act of 1940.

## **VI. AUTHORIZED FINANCIAL INSTITUTIONS, DEPOSITORIES, AND BROKER/DEALERS**

A list will be maintained of financial institutions and depositories authorized to provide investment services. In addition, a list will be maintained of approved security broker/dealers selected by conducting a process of due diligence described in the investment procedures manual. These may include “primary” dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

- A. The City’s Director of Finance and/or Financial Services Officer will determine which financial institutions are authorized to provide investment services to the City. Institutions eligible to transact investment business with the City include:
1. Primary government dealers as designated by the Federal Reserve Bank;
  2. Nationally or state-chartered banks;
  3. The Federal Reserve Bank; and
  4. Direct issuers of securities eligible for purchase.
- B. Selection of financial institutions and broker/dealers authorized to engage in transactions with the City will be at the sole discretion of the City.

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- C. All financial institutions which desire to become qualified bidders for investment transactions (and which are not dealing only with the investment adviser) must supply the Director of Finance and/or Financial Services Officer with a statement certifying that the institution has reviewed California Government Code Section 53600 *et seq.* and the City's Investment Policy.
- D. Selection of broker/dealers used by an external investment adviser retained by the City will be at the sole discretion of the investment adviser.
- E. Public deposits will be made only in qualified public depositories as established by State law. Deposits will be insured by the Federal Deposit Insurance Corporation, or, to the extent the amount exceeds the insured maximum, will be collateralized in accordance with State law.

## **VII. DELIVERY, SAFEKEEPING AND CUSTODY, AND COMPETITIVE TRANSACTIONS**

- A. *Delivery-versus-payment*: Settlement of all investment transactions will be completed using standard delivery-vs.-payment procedures.
- B. *Third-party safekeeping*: To protect against potential losses by collapse of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all securities owned by the City will be held in safekeeping by a third party bank custodian, acting as agent for the City under the terms of a custody agreement executed by the bank and the City.
- C. *Competitive transactions*: All investment transactions will be conducted on a competitive basis which can be executed through a bidding process involving at least three separate brokers/financial institutions or through the use of a nationally recognized trading platform.

## **VIII. AUTHORIZED AND SUITABLE INVESTMENTS**

All investments will be made in accordance with California Government Code Section 53600 *et seq.* and as described within this Investment Policy. Permitted investments under this policy will include:

1. **Municipal Bonds.** These include bonds of the City, the state of California, any other state, and any local Agency within the state of California. The bonds will be registered in the name of the City or held under a custodial agreement at a bank. The bonds shall be rated at the time of purchase within the 4 highest general classifications established by a rating

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service of nationally recognized expertise in rating bonds of states and their political subdivisions.

- a. No more than 5% per issuer.
  - b. No more than 30% of the total portfolio may be invested in municipal bonds.
2. **US Treasury** and other government obligations for which the full faith and credit of the United States are pledged for the payment of principal and interest. There are no limits on the dollar amount or percentage that the City may invest in US Treasuries.
3. **Federal Agency or United States government-sponsored enterprise obligations, participations, or other instruments**, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There are no limits on the dollar amount or percentage that the City may invest in government-sponsored enterprises.
4. **Banker's acceptances**, provided that:
  - a. They are issued by institutions with short term debt obligations rated "A1" or higher, or the equivalent, by at least two nationally recognized statistical-rating organization (NRSRO); and have long-term debt obligations which are rated "A" or higher by at least two nationally recognized statistical rating organization;
  - b. The maturity does not exceed 180 days; and,
  - c. No more than 40% of the total portfolio may be invested in banker's acceptances and no more than 5% per issuer.
5. **Federally insured time deposits** (Non-negotiable certificates of deposit) in state or federally chartered banks, savings and loans, or credit unions, provided that:
  - a. The amount per institution is limited to the maximum covered under federal insurance; and,
  - b. The maturity of such deposits does not exceed 5 years.

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**6. Certificate of Deposit Placement Service (CDARS)**

- a. No more than 30% of the total portfolio may be invested in a combination of certificates of deposit including CDARS.
- b. The maturity of CDARS deposits does not exceed 5 years.

**7. Negotiable certificates of deposit (NCDs), provided that:**

- a. They are issued by institutions which have long-term obligations which are rated “A” or higher by at least two nationally recognized statistical rating organizations; and/or have short term debt obligations rated “A1” or higher, or the equivalent, by at least two nationally recognized statistical rating organizations;
- b. The maturity does not exceed 5 years; and,
- c. No more than 30% of the total portfolio may be invested in NCDs and no more than 5% per issuer.

**8. Commercial paper, provided that:**

- a. The maturity does not exceed 270 days from the date of purchase;
- b. The issuer is a corporation organized and operating in the United States with assets in excess of \$500 million;
- c. They are issued by institutions whose short term obligations are rated “A1” or higher, or the equivalent, by at least two nationally recognized statistical rating organization; and whose long-term obligations are rated “A” or higher by at least two nationally recognized statistical rating organization; and,
- d. No more than 25% of the portfolio is invested in commercial paper and no more than 5% per issuer.

**9. State of California Local Agency Investment Fund (LAIF), provided that:**

- a. The City may invest up to the maximum permitted amount in LAIF; and,
- b. LAIF’s investments in instruments prohibited by or not specified in the City’s policy do not exclude it from the City’s list of allowable investments, provided that the fund’s reports allow the Director of Finance or Financial Services Officer to adequately judge the risk inherent in LAIF’s portfolio.

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**10. Local government investment pools.**

- a. San Diego County Investment Pool

**11. Corporate medium term notes (MTNs), provided that:**

- a. Such notes have a maximum maturity of 5 years;
- b. Are issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States;
- c. Are rated “A” category or better by at least two nationally recognized statistical rating organization; and,
- d. Holdings of medium-term notes may not exceed 30% of the portfolio and no more than 5% per issuer.

**12. Mortgage pass-through securities and asset-backed securities, provided that such securities:**

- a. Have a maximum stated final maturity of 5 years;
- b. Be issued by an issuer having an “A” or higher rating for the issuer’s debt as provided by at least two nationally recognized statistical rating organization;
- c. Be rated in a rating category of “AA” or its equivalent or better by at least two nationally recognized statistical rating organization.
- d. Purchase of securities authorized by this subdivision may not exceed 20% of the portfolio.

**13. Money market mutual funds that are registered with the Securities and Exchange Commission under the Investment Company Act of 1940:**

- a. Provided that such funds meet either of the following criteria:
  - 1. Attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations; or,
  - 2. Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years’ experience investing in the securities and obligations authorized by California Government

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Code Section 53601 (a through j) and with assets under management in excess of \$500 million.

- b. Purchase of securities authorized by this subdivision may not exceed 20% of the portfolio.

**14. Supranationals**, provided that:

- a. Issues are US dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank.
- b. The securities are rated “AA” or higher by a NRSRO.
- c. No more than 30% of the total portfolio may be invested in these securities.
- d. No more than 10% of the portfolio may be invested in any single issuer.
- e. The maximum maturity does not exceed five (5) years.

**IX. PORTFOLIO RISK MANAGEMENT**

*A. The following are prohibited investment vehicles and practices:*

- 1. State law notwithstanding, any investments not specifically described herein are prohibited, including, but not limited to futures and options.
- 2. In accordance with California Government Code Section 53601.6, investment in inverse floaters, range notes, or mortgage derived interest-only strips is prohibited.
- 3. Investment in any security that could result in a zero interest accrual if held to maturity is prohibited.
- 4. Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited.
- 5. Purchasing or selling securities on margin is prohibited.
- 6. The use of reverse repurchase agreements, securities lending or any other form of borrowing or leverage is prohibited.



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7. The purchase of foreign currency denominated securities is prohibited.

*B. Mitigating credit risk in the portfolio*

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The City will mitigate credit risk by adopting the following strategies:

1. The diversification requirements included in Section IX are designed to mitigate credit risk in the portfolio;
2. No more than 5% of the total portfolio may be invested in securities of any single issuer, other than the US Government, its agencies and enterprises;
3. The City may elect to sell a security prior to its maturity and record a capital gain or loss in order to improve the quality, liquidity, or yield of the portfolio in response to market conditions or the City's risk preferences; and,
4. If securities owned by the City are downgraded by either Moody's or S&P to a level below the quality required by this Investment Policy, it will be the City's policy to review the credit situation and make a determination as to whether to sell or retain such securities in the portfolio.
  - a. If a security is downgraded, the Director of Finance and/or Financial Services Officer will use discretion in determining whether to sell or hold the security based on its current maturity, the economic outlook for the issuer, and other relevant factors.
  - b. If a decision is made to retain a downgraded security in the portfolio, its presence in the portfolio will be monitored and reported monthly to the City Council.

*C. Mitigating market risk in the portfolio*

Market risk is the risk that the portfolio value will fluctuate due to changes in the general level of interest rates. The City recognizes that, over time, longer-term portfolios have the potential to achieve higher returns. On the other hand, longer-term portfolios have higher volatility of return. The City will mitigate market risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes. The City further recognizes that certain types of securities, including variable rate securities, securities with principal paydowns prior to maturity, and securities with embedded options, will affect the market risk profile of the

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portfolio differently in different interest rate environments. The City, therefore, adopts the following strategies to control and mitigate its exposure to market risk:

1. The City will maintain a minimum of three months of budgeted operating expenditures in short term investments to provide sufficient liquidity for expected disbursements;
2. The maximum percent of callable securities (does not include “make whole call” securities as defined in the Glossary) in the portfolio will be 20%;
3. The maximum stated final maturity of individual securities in the portfolio will be five years, except as otherwise stated in this policy; and;
4. The duration of the portfolio will at all times be approximately equal to the duration (typically plus or minus 20%) of a Market Benchmark Index selected by the City based on the City’s investment objectives, constraints and risk tolerances. The City’s current Benchmark will be documented in the investment procedures manual.

#### **X. INVESTMENT OBJECTIVES (PERFORMANCE STANDARDS AND EVALUATION)**

- A. **Overall objective:** The investment portfolio will be designed with the overall objective of obtaining a total rate of return throughout economic cycles, commensurate with investment risk constraints and cash flow needs.
- B. **Specific objective:** The investment performance objective for the portfolio will be to earn a total rate of return over a market cycle which is approximately equal to the return on the Market Benchmark Index as described in the City’s investment procedures manual.

#### **XI. PROCEDURES AND INTERNAL CONTROLS**

- A. **Procedures:** The Director of Finance and/or Financial Services Officer will establish written investment policy procedures in a separate investment procedures manual to assist investment staff with day-to-day operations of the investment program consistent with this policy. Such procedures will include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Director of Finance and/or Financial Services Officer.
- B. **Internal Controls:** The Director of Finance and/or Financial Services Officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. The internal control structure will be

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designed to provide reasonable assurance that these objectives are met. Internal controls will be described in the City's investment procedures manual.

## **XII. REPORTING**

**A. Monthly reports:** In accordance with California Government Code Section 53646, a local agency treasurer who has been delegated authority to invest or reinvest funds of the local agency by the legislative body must submit a monthly report to the legislative body accounting for transactions made during the reporting period.

**B. Quarterly reports:** Quarterly investment reports will be submitted by the Director of Finance and/or Financial Services Officer to the City Council, at an agenda meeting, consistent with the requirements contained in California Government Code Section 53646, including but not limited to the following information:

1. Type of investment
2. Name of issuer and/or financial institution
3. Date of purchase
4. Date of maturity
5. Current market value for all securities
6. Rate of interest
7. Purchase price of investment
8. Other data as required by the City

**C. Annual reports:** The Investment Policy will be reviewed and adopted at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity, and return, and its relevance to current law and financial and economic trends.

### **Related Policy References**

California Government Code Sections: 16429.1 – 16429.4, and 53600 – 53686

Investment Company Act of 1940

Investment Advisers Act of 1940

Securities and Exchange Commission Rule #15C3-1

Appendix I attached: "Authorized Personnel"

Appendix II attached: "Glossary of Investment Terms"

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**Prior Policy Amendments**

December 15, 2015

December 16, 2014

December 10, 2013

January 10, 2012

## **Appendix I**

### **Authorized Personnel**

The following positions are authorized to transact investment business and wire funds for investment purposes on behalf of the City of National City:

City Manager  
Deputy City Manager  
Director of Finance  
Financial Services Officer

## Appendix II

### GLOSSARY OF INVESTMENT TERMS

**Agencies.** Shorthand market terminology for any obligation issued by a *government-sponsored entity (GSE)*, or a *federally related institution*. Most obligations of GSEs are not guaranteed by the full faith and credit of the US government. Examples are:

**FDIC.** The Federal Deposit Insurance Corporation provides insurance backed by the full faith and credit of the US government to certain bank deposits and debt obligations.

**FFCB.** The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.

**FHLB.** The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.

**FHLMC.** Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called “FreddieMac” issues discount notes, bonds and mortgage pass-through securities.

**FNMA.** Like FHLB and FreddieMac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as “FannieMae,” issues discount notes, bonds and mortgage pass-through securities.

**GNMA.** The Government National Mortgage Association, known as “GinnieMae,” issues mortgage pass-through securities, which are guaranteed by the full faith and credit of the US Government. Page 14 of 17

**PEFCO.** The Private Export Funding Corporation assists exporters. Obligations of PEFCO are not guaranteed by the full faith and credit of the US government.

**TVA.** The Tennessee Valley Authority provides flood control and power and promotes development in portions of the Tennessee, Ohio and Mississippi River valleys. TVA currently issues discount notes and bonds.

**Asked.** The price at which a seller offers to sell a security.

**Average life.** In mortgage-related investments, including CMOs, the average time to expected receipt of principal payments, weighted by the amount of principal expected.

**Banker’s acceptance.** A money market instrument created to facilitate international trade transactions. It is highly liquid and safe because the risk of the trade transaction is transferred to the bank which “accepts” the obligation to pay the investor.

**Benchmark.** A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

**Bid.** The price at which a buyer offers to buy a security.

**Broker.** A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from his own position.

**Callable.** A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline since an issuer issues securities, it will likely call its current securities and reissue them at a lower rate of interest. Callable securities have reinvestment risk as the investor may receive its principal back when interest rates are lower than when the investment was initially made.

**Certificate of Deposit (CD).** A time deposit with a specific maturity evidenced by a certificate. Large denomination CDs may be marketable.

**Collateral.** Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

**Collateralized Mortgage Obligations (CMO).** Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.

**Commercial paper.** The short-term unsecured debt of corporations.

**Cost yield.** The annual income from an investment divided by the purchase cost. Because it does not give effect to premiums and discounts which may have been included in the purchase cost, it is an incomplete measure of return.

**Coupon.** The rate of return at which interest is paid on a bond.

**Credit risk.** The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

**Current yield.** The annual income from an investment divided by the current market value. Since the mathematical calculation relies on the current market value rather than the investor's cost, current yield is unrelated to the actual return the investor will earn if the security is held to maturity.

**Dealer.** A dealer acts as a principal in security transactions, selling securities from and buying securities for his own position.

**Debenture.** A bond secured only by the general credit of the issuer.

**Delivery vs. payment (DVP).** A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

**Derivative.** Any security that has principal and/or interest payments which are subject to uncertainty (but not for reasons of default or credit risk) as to timing and/or amount, or any security which represents a component of another security which has been separated from other components ("Stripped" coupons and principal). A derivative is also defined as a financial instrument the value of which is totally or partially derived from the value of another instrument, interest rate or index.

**Discount.** The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as **discount securities**. They sell at a discount from par, and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

**Diversification.** Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

**Duration.** The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a bond to changes in interest rates. (See modified duration).

**Federal funds rate.** The rate of interest charged by banks for short-term loans to other banks. The Federal Reserve Bank through open-market operations establishes it.

**Federal Open Market Committee:** A committee of the Federal Reserve Board that establishes monetary policy and executes it through temporary and permanent changes to the supply of bank reserves.

**Haircut:** The margin or difference between the actual market value of a security and the value assessed by the lending side of a transaction (i.e. a repo).

**Leverage.** Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.

**Liquidity:** The speed and ease with which an asset can be converted to cash.

**Make Whole Call.** A type of call provision on a bond that allows the issuer to pay off the remaining debt early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or “made whole.”

**Margin:** The difference between the market value of a security and the loan a broker makes using that security as collateral.

**Market risk.** The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

**Market value.** The price at which a security can be traded.

**Marking to market.** The process of posting current market values for securities in a portfolio.

**Maturity.** The final date upon which the principal of a security becomes due and payable.

**Medium term notes.** Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts either on a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

**Modified duration.** The percent change in price for a 100 basis point change in yields. Modified duration is the best single measure of a portfolio’s or security’s exposure to market risk.

**Money market.** The market in which short term debt instruments (T-bills, discount notes, commercial paper and banker’s acceptances) are issued and traded.

**Mortgage pass-through securities.** A securitized participation in the interest and principal cashflows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

**Mutual fund.** An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund’s prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund’s prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

**Premium.** The difference between the par value of a bond and the cost of the bond, when the cost is above par.

**Prepayment speed.** A measure of how quickly principal is repaid to investors in mortgage securities.

**Prepayment window.** The time period over which principal repayments will be received on mortgage securities at a specified prepayment speed.

**Primary dealer.** A financial institution (1) that is a trading counterparty with the Federal Reserve in its execution of market operations to carry out US monetary policy, and (2) that participates for statistical reporting purposes in compiling data on activity in the US Government securities market.

**Prudent person (man) rule.** A standard of responsibility which applies to fiduciaries. In California, the rule is stated as “Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity



and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes.”

**Realized yield.** The change in value of the portfolio due to interest received and interest earned and realized gains and losses. It does not give effect to changes in market value on securities, which have not been sold from the portfolio.

**Regional dealer.** A financial intermediary that buys and sells securities for the benefit of its customers without maintaining substantial inventories of securities, and that is not a primary dealer.

**Repurchase agreement (RP, Repo).** Short term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller’s point of view, the same transaction is a **reverse repurchase agreement**.

**Safekeeping.** A service to bank customers whereby securities are held by the bank in the customer’s name.

**Short Term.** Less than one (1) year’s time.

**Structured note.** A complex, fixed income instrument, which pays interest, based on a formula tied to other interest rates, commodities or indices. Examples include inverse floating rate notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising, and “dual index floaters,” which pay interest based on the relationship between two other interest rates - for example, the yield on the ten-year Treasury note minus the Libor rate. Issuers of such notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.

**SUPRANATIONAL.** A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries.

**Total rate of return.** A measure of a portfolio’s performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

**US Treasury obligations.** Securities issued by the US Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk, and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

**Treasury bills.** All securities issued with initial maturities of one year or less are issued as discounted instruments, and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues “cash management” bills as needed to smooth out cash flows.

**Treasury notes.** All securities issued with initial maturities of two to ten years are called Treasury notes, and pay interest semi-annually.

**Treasury bonds.** All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

**Value. Principal plus accrued interest.**

**Volatility.** The rate at which security prices change with changes in general economic conditions or the general level of interest rates.

**Yield to Maturity.** The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.

RESOLUTION NO. 2016 –

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL  
CITY ADOPTING CITY COUNCIL POLICY NO. 203 “INVESTMENTS” FOR  
FISCAL YEAR 2017.

BE IT FURTHER RESOLVED by the City Council of the City of National City that Council Policy No. 203, entitled “Investments” has been reviewed by staff and City’s investment advisor, Chandler Asset Management, and no revisions are recommended at this time.

PASSED and ADOPTED this 6<sup>th</sup> day of December, 2016.

\_\_\_\_\_  
Ron Morrison, Mayor

ATTEST:

\_\_\_\_\_  
Michael R. Dalla, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
George H. Eiser, III  
Interim City Attorney

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City waiving the bid process by piggybacking Western States Contracting Alliance (WSCA) contract MNWNC-122, and authorizing the purchase from Nimble Storage Inc. of Enterprise Storage for an amount no

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 06, 2016

**AGENDA ITEM NO.** \_\_\_\_\_

**ITEM TITLE:**

Resolution of the City Council of the City of National City waiving the bid process by piggybacking Western States Contracting Alliance (WSCA) contract MNWNC-122, and authorizing the purchase from Nimble Storage Inc. of Enterprise Storage for an amount not to exceed \$154,075.70.

**PREPARED BY:** Ron Williams

**DEPARTMENT:** Administrative Services

**PHONE:** 619-336-4373

**APPROVED BY:** \_\_\_\_\_

**EXPLANATION:**

The current Enterprise Storage System, Network Appliance (NetApp) is eight years old and approaching support End Of Life (EOL). As a result, software updates and spare parts will become increasingly difficult to obtain when hardware or software issues occur. These systems provide the storage platforms which run the City's essential information systems applications (Microsoft Exchange Email, Eden Financials, Vision Intranet, Questys Records Management, etc...). Upgrading the Enterprise Storage System would provide advanced virtualization technologies to support the latest innovations in Data Center Infrastructure management and disaster recovery.

It is requested that Council waive the formal bidding requirements as allowed in Chapter 2.60.260 of the Municipal Code, and award the purchase to Nimble Storage Inc., for the following reasons:

1. Piggyback State of California Western States Contracting Alliance (WSCA) contract MNWNC-122
2. The price has been determined to be competitive within the industry.
3. No further purpose would be served by issuing a formal bid at this point in the process.

**FINANCIAL STATEMENT:**

**APPROVED:**  **Finance**

**ACCOUNT NO.** 629-417-082-502-0000

**APPROVED:**  **MIS**

**ENVIRONMENTAL REVIEW:**

This is not a project, therefore does not require environmental review

**ORDINANCE:** ☐ **INTRODUCTION:** ☐ **FINAL ADOPTION:** ☐

**STAFF RECOMMENDATION:**

Staff recommends authorizing the purchase of the Enterprise Storage System from Nimble Storage Inc.

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

Quote, Contract Information

**Nimble Storage**  
 211 River Oaks Parkway  
 San Jose, CA 95134  
 Tel: (408) 432-9600  
 Fax: (408) 899-5158



**Date:** 11/17/2016  
**Quote #:** Q-226921-1  
**Terms:** Net 30  
**Expires On:** 12/20/2016  
**Acct. Exec:** Nick Mirizzi

### Quotation

#### Bill-To Address:

Company:  
 Address:  
 City:  
 State:  
 Zip:  
 Country:

#### Sold-To Address:

Company: City of National City  
 Address: 1243 National City Blvd.  
 City: National City  
 State: CA  
 Zip: 91950  
 Country: United States (US)

AFA

Part #	Description	Support Term (Months)	List Price	Discount %	Qty	Net Unit Price	Net Total Price
AF1000-2P-23T-1	AF1000, 2x10GbaseT, ; Dual 10GbE Optical (Qty. 1 pair), , 24 x 960GB SSDs		USD 170,500.00	54.25	1	USD 78,003.75	USD 78,003.75
SLA-4HR-AFA	4Hr Parts Del, SW Sup & InfoSight - AFA	12	USD 6,565.68	12.00	1	USD 5,777.80	USD 5,777.80
			Total				USD 83,781.55

ADFA

Part #	Description	Support Term (Months)	List Price	Discount %	Qty	Net Unit Price	Net Total Price
C1K-2P-42T-F	CS1000 Base Array - dual controller, 2x10GbaseT (HDD/SSD not incl.), Dual 10GbE Optical only (Qty. 1 pair), 21 x 2TB HDD for base HEAD, 5760GB: 3 x 1920GB SSDs for base HEAD		USD 120,500.00	55.25	1	USD 53,923.75	USD 53,923.75
SLA-4HR	4Hr Parts Del, SW Sup & InfoSight - NextGen Arrays	12	USD 4,939.68	12.00	1	USD 4,346.92	USD 4,346.92
			Total				USD 58,270.67

**TOTAL: USD 142,052.22**

Type	List Price	Discount	Extended Price
Hardware	USD 291,000.00	54.66	USD 131,927.50
Support	USD 11,505.36	12.00	USD 10,124.72
Services	USD 0.00	0.00	USD 0.00
<b>TOTAL:</b>			<b>USD 142,052.22</b>

INCLUDED SOFTWARE CAPABILITIES:

- InfoSight Predictive Analytics
- Inline variable block compression & zero block elimination
- Inline variable block deduplication (All Flash Array only)
- SmartSnap Efficient snapshots, SmartReplicate WAN efficient replication
- FIPS 140-2 certified SmartSecure application granular encryption, and data shredding
- Thin provisioning, Zero copy cloning
- Nimble Protection Manager
- Nimble Connection Manager

Nimble installation services will not be provided if Pro-Install Array is not ordered.

Terms & Conditions

- The pricing in this Quotation is valid only for 30 days for the specific products and services set forth above
- Prices do not include any shipping, sales or excise tax or custom duties, all of which will be separately charged, if any, to you.
- The Nimble Storage General Terms and Conditions (the "Terms") which govern the Products and Services, are available at <http://www.nimblestorage.com/docs> and are hereby incorporated into the Quotation by reference. You will be required to accept the Terms prior to any use of the Software (each as defined in the Terms). This Quotation and the Terms, collectively, the "Agreement" is made between Nimble Storage, Inc. ("Nimble") and the customer specified above ("Customer") as of the date of the last signature below ("Effective Date"). The Agreement constitutes the final, complete, and exclusive agreement between the parties regarding the subject hereof and supersedes all prior or contemporaneous agreements, understandings, and communication, whether written or oral.

In the event Customer purchases Product and/or Services directly from Nimble Storage, the following additional terms and conditions apply:

Delivery FCA Incoterms 2010 Product shipping origin location  
Customer shall pay within thirty (30) days of the date of invoice

The Agreement is an offer to sell the Products to Customer. If the Agreement is provided in response to a purchase order, such purchase order is deemed a request for quotation or an invitation to offer only, and the Agreement is an offer to sell the Products ordered. Customer shall be deemed to have accepted the Agreement by written acknowledgment (including by issuance of a purchase order), by conduct or course of dealing, or by acceptance of or payment for the Products ordered. Any terms proposed by Customer, including any preprinted terms on purchase orders or any other documentation, that add to, vary from, are inconsistent with or conflict with the terms of the Agreement are hereby rejected and will not apply unless expressly agreed to in a writing signed by an officer of Nimble. This Agreement incorporates only those terms of Nimble-accepted purchase orders that relate to the prices or quantities of the Products. Nimble's failure to object to any term or condition contained in any communication from Customer shall not be deemed a waiver of the terms and conditions herein.

· By signing below, the parties agree to all terms and conditions of the Agreement:

<div>Nimble Storage</div>	<div></div> <div>Name of Licensee (Company)</div>
<div></div> <div>Signature of Authorized Individual</div>	<div></div> <div>Signature of Authorized Individual</div>
<div></div> <div>Name (Please Print)</div>	<div></div> <div>Name (Please Print)</div>
<div></div> <div>TitleDate</div>	<div></div> <div>TitleDate</div>

**PARTICIPATING ADDENDUM**  
**NASPO ValuePoint Cooperative Purchasing Program**

**COMPUTER EQUIPMENT MASTER AGREEMENT**  
**Minnesota Master Agreement No.: MNWNC-122**

**California Participating Addendum No. 7-15-70-34-012**  
**NIMBLE STORAGE, INC. (Contractor)**

This Participating Addendum Number **7-15-70-34-012** is entered into between the State of California, Department of General Services (hereafter referred to as "State" or "DGS") and Nimble Storage, Inc. (hereafter referred to as "Contractor") under the NASPO ValuePoint Cooperative Purchasing Program Master Agreement Number MNWNC-122 ("Master Agreement") executed by the State of Minnesota.

**1. Scope**

- A. This Participating Addendum covers the purchase of Computer Equipment under the Master Agreement for the following product bands:

**Band 5 – Storage**

- B. This Participating Addendum is available for use by California political subdivisions/local governments (hereafter referred to as "Purchasing Entities"). A political subdivision/local government is defined as any city, county, city and county, district, or other local governmental body or corporation, including the California State Universities (CSU) and University of California (UC) systems, K-12 schools and community colleges empowered to expend public funds.
- C. Political subdivision/local government use of this Participating Addendum is optional. Each political subdivision/local government is to make its own determination whether this Participating Addendum and the Minnesota Master Agreement are consistent with its procurement policies and regulations.

**2. Term**

- A. The term of this Participating Addendum shall begin upon signature approval by the State and will end March 31, 2017, or upon termination by the State, whichever occurs first.
- B. Lead State amendments to extend the Master Agreement term date are automatically incorporated into this Participating Addendum unless terminated early in accordance with the terms and conditions of the Master Agreement or this Participating Addendum.

### 3. Order of Precedence

In the event of any inconsistency between the articles, attachments, or provisions which constitute this agreement, the following descending order of precedence shall apply:

- A. California Participating Addendum 7-15-70-34-012
- B. Minnesota WSCA-NASPO Master Agreement MNWNC-122

### 4. Terms and Conditions

The California General Provisions - Information Technology (GSPD401IT), revised and effective 09/5/14, is hereby incorporated by reference and made a part of this Participating Addendum. The 12 page document is available at:  
[http://www.documents.dgs.ca.gov/pd/poliproc/GSPD401IT14\\_0905.pdf](http://www.documents.dgs.ca.gov/pd/poliproc/GSPD401IT14_0905.pdf).

### 5. Price List

Contractor shall maintain a website dedicated to this Participating Addendum which contains the Product and Service Schedule (PSS) and designated base line price list for participating entities to verify product/service pricing and applicable discounts offered under the Master Agreement.

### 6. Partner Utilization

- A. Contractor may use Partners under this Participating Addendum for sales and service functions as defined herein. Each Purchasing Entity will determine whether use of Partners is consistent with its procurement policies and regulations.
- B. Contractor shall be responsible for successful performance and compliance with all requirements in accordance with the terms and conditions under this Participating Addendum, even if work is performed by Partners.
- C. Contractor will be the sole point of contact with regard to Participating Addendum contractual matters, reporting, and administrative fee requirements.
- D. Partners are classified as follows:
  - 1) "Authorized Reseller"
    - a. Authorized Resellers may provide quotes, accept purchase orders, fulfill purchase orders, perform maintenance/warranty services and accept payment from ordering agencies for products and associated services offered under this Participating Addendum.
    - b. Authorized Resellers are responsible for sending a copy of all purchase orders and invoices to the Contractor for compliance with quarterly usage reporting and administrative fee requirements.
    - c. All purchase documents to Authorized Resellers shall reference the Participating Addendum Number.
    - d. If applicable, Authorized Reseller(s) under this Participating Addendum will be listed on the Contractor's dedicated website.



2) "Agent"

- a. Agents are only authorized to provide quotes, sales assistance, configuration guidance and ordering support for products and associated services offered under this Participating Addendum.
- b. Agents are not authorized to accept orders or payments.
- c. If applicable, Agent(s) under this Participating Addendum will be listed on the Contractor's dedicated website.

7. Invoicing

The Participating Addendum Number and Ordering Agency Purchase Order Number shall appear on each purchase order and invoice for all purchases placed under this Participating Addendum.

8. Usage Reporting

- A. Contractor shall submit usage reports on a quarterly basis to the State Contract Administrator for all California entity purchases using the WSCA-NASPO Detailed Sales report template.
- B. The report is due even when there is no activity.
- C. The report shall be an Excel spreadsheet transmitted electronically to the DGS mailbox at PDWSCA@dgs.ca.gov.
- D. Any report that does not follow the required format or that excludes information will be deemed incomplete. Contractor will be responsible for submitting corrected reports within five business days of the date of written notification from the State.
- E. Tax must not be included in the report, even if it is on the purchase order.
- F. Reports are due for each quarter as follows:

Reporting Period	Due Date
JUL 1 to SEP 30	
OCT 1 to DEC 31	
JAN 1 to MAR 31	
APR 1 to JUN 30	

- G. Failure to meet reporting requirements and submit the reports on a timely basis shall constitute grounds for suspension of this contract.

## 9. Administrative Fee

- A. Contractor shall submit a check, payable to the State of California, remitted to the Department of General Services, Procurement Division for the calculated amount equal to one percent (0.01) of the sales for the quarterly period.
- B. Contractor must include the Participating Addendum Number on the check. Those checks submitted to the State without the Participating Addendum Number will be returned to Contractor for additional identifying information.
- C. Administrative fee checks shall be submitted to:
- State of California  
Department of General Services, Procurement Division  
Attention: Multiple Awards Program  
707 3<sup>rd</sup> Street, 2<sup>nd</sup> Floor, MS 2-202  
West Sacramento, CA 95605
- D. The administrative fee shall not be included as an adjustment to Contractor's Master Agreement pricing.
- E. The administrative fee shall not be invoiced or charged to the ordering agency.
- F. Payment of the administrative fee is due irrespective of payment status on orders or service contracts from a Purchasing Entity.
- G. Administrative fee checks are due for each quarter as follows:

Reporting Period	Due Date
JUL 1 to SEP 30	
OCT 1 to DEC 31	
JAN 1 to MAR 31	
APR 1 to JUN 30	

- H. Failure to meet administrative fee requirements and submit fees on a timely basis shall constitute grounds for suspension of this contract.

## 10. Contract Management

- A. The primary contact individuals for this Participating Addendum shall be as follows:

Contractor	
Name:	Mary A. Reuss
Phone:	(612) 849-2548
Fax:	(408) 899-5158
E-Mail:	<a href="mailto:Mary.reuss@nimblestorage.com">Mary.reuss@nimblestorage.com</a>
Address:	211 River Oaks Parkway San Jose, CA 95134

State Contract Administrator	
Name:	Julie Matthews
Phone:	(916) 375-4612
Fax:	(916) 375-4663
E-Mail:	<a href="mailto:Julie.Matthews@dgs.ca.gov">Julie.Matthews@dgs.ca.gov</a>
Address:	Department of General Services Procurement Division 707 Third Street, 2nd Floor, MS 2-202 West Sacramento, CA 95605

- B. Should the contact information for either party change, the party will provide written notice with updated information no later than ten business days after the change.

#### 11. Termination of Agreement


The State may terminate this Participating Addendum at any time upon 30 days prior written notice to the Contractor. Upon termination or other expiration of this Participating Addendum, each party will assist the other party in orderly termination of the Participating Addendum and the transfer of all assets, tangible and intangible, as may facilitate the orderly, nondisrupted business continuation of each party. This provision shall not relieve the Contractor of the obligation to perform under any purchase order or other similar ordering document executed prior to the termination becoming effective.

#### 12. Agreement

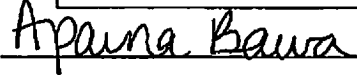
- A. This Participating Addendum and the Master Agreement together with its exhibits and/or amendments, set forth the entire agreement between the parties with respect to the subject matter of all previous communications, representations or agreements, whether oral or written, with respect to the subject matter hereof. Terms and conditions inconsistent with, contrary or in addition to the terms and conditions of this Participating Addendum and the Master Agreement, together with its exhibits and/or amendments, shall not be added to or incorporated into this Participating Addendum or the Master Agreement and its exhibits and/or amendments, by any subsequent purchase order or otherwise, and any such attempts to add or incorporate such terms and conditions are hereby rejected. The terms and conditions of this Participating Addendum and the Master Agreement and its exhibits and/or amendments shall prevail and govern in the case of any such inconsistent or additional terms.
- B. By signing below Contractor agrees to offer the same products/and or services as on the Master Agreement, at prices equal to or lower than the prices on that contract.

C. IN WITNESS WHEREOF, the parties have executed this Participating Addendum as of the date of execution by both parties below.

**Participating State:**  
STATE OF CALIFORNIA

By:   
Name: Jim Butler  
Title: Deputy Director  
Date: 4/26/16

**Contractor:**  
NIMBLE STORAGE, INC.

By:   
Name: Aparna Bawa  
Title: VP, General Counsel  
Date: April 20, 2016

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the establishment of an \$8,500 Materials and Supplies Account appropriation in the Trash Rate Stabilization Fund and corresponding use of Trash Rate Stabilization Fund fund balance fo

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.**

**ITEM TITLE:**

Resolution of the City Council of the City of National City authorizing the establishment of an \$8,500 Materials and Supplies Account appropriation in the Trash Rate Stabilization Fund and corresponding use of Trash Rate Stabilization Fund fund balance for the purchase of public litter containers.

**PREPARED BY:** Ray Roberson

**PHONE:** 619-336-4583

**DEPARTMENT:** Engineering/Public Works

**APPROVED BY:** 

**EXPLANATION:**

In an effort to keep our parks and bus stops clean of debris, City Public Works is requesting funding to pay for the purchase of twenty, 60-gallon dark green public litter containers with City logos. These funds will allow PW crews to replace existing containers that have reached the end of their useful life and provide containers in locations that are subject to litter and debris.

Fund balance is available in Fund 172 – Trash Rate Stabilization Fund.

**FINANCIAL STATEMENT:**

**ACCOUNT NO.**

**APPROVED:** 

**Finance**

**APPROVED:** \_\_\_\_\_

**MIS**

Transfer \$8,500 from Fund 172 fund balance to M&O expenditure account #172-416-225-399-0000

**ENVIRONMENTAL REVIEW:**

N/A

**ORDINANCE:** INTRODUCTION: ☐

FINAL ADOPTION: ☐

**STAFF RECOMMENDATION:**

Adopt resolution authorizing the establishment of an \$8,500 Materials and Supplies Account appropriation in the Trash Rate Stabilization Fund and corresponding use of Trash Rate Stabilization Fund fund balance for the purchase of public litter containers.

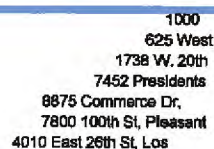
**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

1. Quote for purchase of public litter containers
2. Resolution





The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the appropriation of \$625,000 in TransNet Active Transportation Grant Program funds through the San Diego Association of Governments for the Citywide Midblock Pedestrian Crossing Enha



**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.**

**ITEM TITLE:**

Resolution of the City Council of the City of National City authorizing the appropriation of \$625,000 in *TransNet* Active Transportation Grant Program funds through the San Diego Association of Governments for the Citywide Midblock Pedestrian Crossing Enhancements Project and establishment of corresponding revenue and expenditure accounts.

**PREPARED BY:** Stephen Manganiello

**PHONE:** 336-4382

**EXPLANATION:**

See attached.

**DEPARTMENT:** Engineering/Public Works

**APPROVED BY:** \_\_\_\_\_



**FINANCIAL STATEMENT:**

**ACCOUNT NO.**

Revenue Account No. 296-06580-3463

Expenditure Account No. 296-409-500-598-6580 (Midblock Pedestrian Crossing Enhancements)

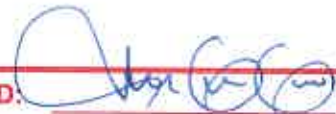
Grant match available in Account No. 001-409-500-598-6573 (Transportation System Improvements) through prior City Council appropriations.

**ENVIRONMENTAL REVIEW:**

Notice of Exemption will be prepared and filed with the County Recorder's Office.

**ORDINANCE:** INTRODUCTION: ☐ FINAL ADOPTION: ☐

**APPROVED:** \_\_\_\_\_



Finance

**APPROVED:** \_\_\_\_\_

MIS

**STAFF RECOMMENDATION:**

Adopt the Resolution.

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

1. Explanation w/ Exhibit
2. Resolution

## **EXPLANATION**

The Citywide Midblock Pedestrian Crossing Enhancements Project will provide pedestrian enhancements at 14 existing midblock crossing locations Citywide. See attached exhibit for locations. Enhancements may include lighting, corner bulbouts for traffic calming, refuge islands, curb ramps for Americans with Disabilities Act (ADA) compliance, solar powered LED-enhanced pedestrian crossing sign systems, and high intensity signing and striping.

On March 17, 2015, City Council adopted Resolution No. 2015-31 taking the following actions: 1) authorize staff to file a grant application with the San Diego Association of Governments (SANDAG) for *TransNet* Active Transportation Grant Program funds in the amount of \$625,000 for the Citywide Midblock Pedestrian Crossing Enhancements Project; 2) commit to a grant match of \$25,000; 3) accept the terms of the grant agreement; and 4) authorize the Mayor to execute the agreement, if grant funds are awarded.

On April 22, 2016, the SANDAG Board of Directors approved programming of \$625,000 in Transportation Development Act funds through the Active Transportation Grant Program for National City's Midblock Pedestrian Crossing Enhancements Project. Subsequent to grant award, the Mayor and SANDAG executed a grant agreement for the Project, effective July 1, 2016.

Staff is requesting authorization to appropriate grant funds in the amount of \$625,000 and establish corresponding revenue and expenditure accounts. The required grant match of \$25,000 is available in the Transportation System Improvements CIP account through prior City Council appropriations.



The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the Mayor to execute an Agreement with A Reason to Survive, Inc. (ARTS) in the not-to-exceed amount of \$40,000 to oversee the conceptualization, creation, design and fabrication of cu

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.**

**ITEM TITLE:**

Resolution of the City Council of the City of National City authorizing the Mayor to execute an Agreement with *A Reason to Survive, Inc. (ARTS)* in the not-to-exceed amount of \$40,000 to oversee the conceptualization, creation, design and fabrication of custom bike racks funded through a San Diego Association of Governments (SANDAG) *TransNet* Active Transportation Grant Program grant and local matching funds.

**PREPARED BY:** Stephen Manganiello

**PHONE:** 619-336-4382

**EXPLANATION:**

See attached.

**DEPARTMENT:** Engineering/Public Works

**APPROVED BY:**



**FINANCIAL STATEMENT:**

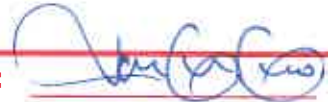
**ACCOUNT NO.**

Funds are available in the following CIP expenditure accounts through prior City Council appropriations:

296-409-500-598-1015 (Bicycle Parking Enhancements)

001-409-500-598-6573 (Transportation System Improvements)

**APPROVED:**



**Finance**

**APPROVED:**

**MIS**

**ENVIRONMENTAL REVIEW:**

Notice of Exemption will be prepared and filed with the County Recorder's Office.

**ORDINANCE:** ☐ **INTRODUCTION:** ☐ **FINAL ADOPTION:** ☐

**STAFF RECOMMENDATION:**

Adopt resolution executing an Agreement with *ARTS* to design and fabricate custom bike racks funded through a SANDAG *TransNet* Active Transportation Grant Program grant and local matching funds.

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

1. Explanation
2. Agreement
3. Resolution



**Explanation:**

On November 11, 2015, City Council adopted Resolution No. 2015-170 taking the following actions: 1) accept an Active Transportation Grant Program (ATGP) grant award in the amount of \$50,000 through the San Diego Association of Governments (SANDAG) for the National City Bicycle Parking Enhancements project; 2) authorize the City Manager to execute the Grant Agreement; and 3) authorize grant appropriations and establish corresponding revenue and expenditure accounts. The required grant match of \$10,000 is available in the Transportation System Improvements CIP account through prior City Council appropriations. Subsequent to grant award, the City Manager and SANDAG executed a grant agreement for the Project, effective December 9, 2015.

The Project will design, fabricate and install custom bike racks at various locations Citywide, including community parks, recreation centers, community centers, business districts and along bicycle corridors.

To assist staff with delivering a bike rack project that meets the grant requirements, the City desires to contract with *A Reason to Survive, Inc. (ARTS)* to provide art and design services to design and fabricate a minimum of 30 custom bike racks for installation by City Public Works staff. As a component of the art and design services, *ARTS* will engage local high school students to participate in development of bike rack prototypes, which will be used to fabricate the custom bike racks.

*ARTS* successfully completed design and fabrication of approximately 40 custom bike racks through a previous SANDAG ATGP grant. *ARTS* is currently finishing Phase I of the 2016 National City Bicycle Parking Enhancements grant project under a smaller contract with the City, which was executed by the City Manager on June 22, 2016.

**AGREEMENT  
BY AND BETWEEN  
THE CITY OF NATIONAL CITY  
AND  
A REASON TO SURVIVE, INC. (ARTS)**

THIS AGREEMENT is entered into on this 6th day of December, 2016, by and between the CITY OF NATIONAL CITY, a municipal corporation (the "CITY"), and A REASON TO SURVIVE, INC. ("ARTS"), a California non-profit corporation (the "CONSULTANT").

**R E C I T A L S**

WHEREAS, ARTS, a California non-profit corporation, has been a catalyst in delivering arts, culture and education programs and projects in National City, and has created a movement behind the importance of the arts as a prevention and intervention vehicle to create positive transformation in children and youth facing adversity;

WHEREAS, the CITY'S Department of Engineering & Public Works applied for and received an Active Transportation Grant Program grant from the San Diego Association of Governments ("SANDAG") to design, fabricate and install custom bike racks at various locations Citywide, including community parks, recreation centers, community centers, business districts and along bicycle corridors;

WHEREAS, to assist staff with delivering a bike rack project that meets the grant requirements, the CITY desires to employ a CONSULTANT to provide art and design services to design and fabricate a minimum of 30 custom bike racks for installation by City Public Works staff;

WHEREAS, as a component of the art and design services, the CITY requires that the CONSULTANT engage local high school students to participate in development of bike rack prototypes, which will be used to fabricate the custom bike racks;

WHEREAS, the CITY and the CONSULTANT previously entered into a five-year Lease Agreement, effective July 1, 2015, wherein the CONSULTANT agreed to lease the CITY'S Arts Center located at 200 E. 12<sup>th</sup> Street and as part of the consideration for the lease, enrich the lives of National City residents by providing arts, culture and educational resources;

WHEREAS, per the terms of the Lease Agreement, the CONSULTANT is required to deliver a minimum of \$75,000 in public art projects per year;

WHEREAS, any and all public art delivered by the CONSULTANT under this Agreement shall be considered separate and distinct from requirements under the Lease Agreement, and therefore, will not relieve the CONSULTANT of its obligations under the Lease Agreement;

WHEREAS, based on review of the CONSULTANT'S performance and qualifications providing art projects, community outreach and education for residents of National City, the CITY has determined that the CONSULTANT, a California non-profit corporation and a 501(c)(3) non-profit, is qualified by experience and ability to perform the services desired by the CITY, and the CONSULTANT is willing to perform such services; and,

WHEREAS, the CONSULTANT agrees that upon completion of the custom bike racks, ownership of the physical works of art shall be transferred to the CITY and the CONSULTANT waives and releases all rights of ownership to the work of art.

NOW, THEREFORE, THE PARTIES HERETO DO MUTUALLY AGREE AS FOLLOWS:

1. **ENGAGEMENT OF CONSULTANT.** The CITY agrees to engage the CONSULTANT, and the CONSULTANT agrees to perform the services set forth here in accordance with all terms and conditions contained herein.

The CONSULTANT represents that all services shall be performed directly by the CONSULTANT or under direct supervision of the CONSULTANT.

2. **PURPOSE.** The CITY hereby commissions the CONSULTANT to oversee the conceptualization, creation, design and fabrication of custom bike racks as generally described in Section 4 below. The CONSULTANT hereby agrees to provide those services in conformance with the terms of this Agreement.

3. **EFFECTIVE DATE AND LENGTH OF AGREEMENT.** This Agreement will become effective on November 1, 2016. The duration of this Agreement is for the period of November 1, 2016 through June 30, 2017.

4. **SCOPE OF SERVICES.** The CONSULTANT will perform services as set forth in the attached Exhibit "A" to deliver a community art project referred to as Custom Bike Racks (the "Work").

The CONSULTANT shall be responsible for all research and reviews related to the work and shall not rely on personnel of the CITY for such services, except as authorized in advance by the CITY.

The CITY may unilaterally, or upon request from the CONSULTANT, from time to time reduce or increase the Scope of Services to be performed by the CONSULTANT under this Agreement. Upon doing so, the CITY and the CONSULTANT agree to meet in good faith and confer for the purpose of negotiating a corresponding reduction or increase in the compensation associated with said change in services.

5. **PROJECT COORDINATION AND SUPERVISION.** Stephen Manganiello, Director of Public Works / City Engineer hereby is designated as the Project Coordinator for the CITY and will monitor the progress and execution of this Agreement. The CONSULTANT shall assign a single Project Director to provide supervision and have overall responsibility for the



progress and execution of this Agreement for the CONSULTANT. Emma Chammah, Community Arts Director, thereby is designated as the Project Director for the CONSULTANT.

6. **DESCRIPTION OF THE WORK.** See Exhibit "A" for Description of the Work, including a photo of Custom Bike Racks created by the CONSULTANT.

7. **PHASES OF WORK.** See Exhibit "A" for Phases of Work.

8. **SCHEDULE.** See Exhibit "A" for Schedule.

9. **COMPENSATION AND PAYMENT.** The compensation for the CONSULTANT shall be based on monthly billings covering actual work performed. Billings shall include labor classifications, respective rates, hours worked and also materials, if any. The total cost for all work described in Exhibit "A" shall not exceed \$40,000 (the Base amount) without prior written authorization from the Project Coordinator. Monthly invoices will be processed for payment and remitted within thirty (30) days from receipt of invoice, provided that work is accomplished consistent with Exhibit "A", as determined by the Project Coordinator.

The CONSULTANT shall maintain all books, documents, papers, employee time sheets, accounting records, and other evidence pertaining to costs incurred, and shall make such materials available at its office at all reasonable times during the term of this Agreement and for three (3) years from the date of final payment under this Agreement, for inspection by the CITY, and for furnishing of copies to the CITY, if requested.

10. **ACCEPTABILITY OF WORK.** The City shall decide any and all questions which may arise as to the quality or acceptability of the services performed and the manner of performance, the acceptable completion of this Agreement, and the amount of compensation due. In the event the CONSULTANT and the City cannot agree to the quality or acceptability of the work, the manner of performance and/or the compensation payable to the CONSULTANT in this Agreement, the City or the CONSULTANT shall give to the other written notice. Within ten (10) business days, the CONSULTANT and the City shall each prepare a report which supports their position and file the same with the other party. The City shall, with reasonable diligence, determine the quality or acceptability of the work, the manner of performance and/or the compensation payable to the CONSULTANT.

11. **INDEPENDENT CONTRACTOR.** Both parties hereto in the performance of this Agreement will be acting in an independent capacity and not as agents, employees, partners, or joint venturers with one another. Neither the CONSULTANT nor the CONSULTANT'S employees are employees of the CITY, and are not entitled to any of the rights, benefits, or privileges of the CITY'S employees, including but not limited to retirement, medical, unemployment, or workers' compensation insurance.

This Agreement contemplates the personal services of the CONSULTANT and the CONSULTANT'S employees, and it is recognized by the parties that a substantial inducement to the CITY for entering into this Agreement was, and is, the professional reputation and competence of the CONSULTANT and its employees. Neither this Agreement nor any

interest herein may be assigned by the CONSULTANT without the prior written consent of the CITY. Nothing herein contained is intended to prevent the CONSULTANT from employing or hiring as many employees, subconsultants and/or professional artists, as the CONSULTANT may deem necessary for the proper and efficient performance of this Agreement. All agreements by CONSULTANT with its subconsultant(s) shall require the subconsultant(s) to adhere to the applicable terms of this Agreement.

12. **RISK OF LOSS AND INSURANCE.** The CONSULTANT shall bear all risk of loss or damage to the Work until it is delivered and installed at the site.

13. **REPRODUCTIONS.** The CONSULTANT shall not create three-dimensional reproductions of the Work, or portions thereof, without the express, written consent of the CITY. All expenses associated with creating three-dimensional reproductions shall be borne by the CONSULTANT.

14. **OWNERSHIP RIGHTS AND LICENSES.** Consistent with Section 11 of this Agreement, professional artists under contract with the CONSULTANT for the purpose of performing the Work are required to adhere to the applicable terms of this Agreement, including the provisions of this Section 14 and Section 31.

Ownership of all materials and concepts produced for the CITY under this Agreement, including but not limited to the completed Work, and all rights to licensing and reproductions of the Work, shall pass to and become the property of the CITY, once payment for that phase of work is made by the CITY. The CITY, at its option, will store all drawings and materials that may assist with future repairs. The CONSULTANT shall waive all rights to the Work, including copyright, moral rights under the Visual Artists Rights Act, rights under the California Art Preservation Act, and any other artistic rights that may exist in the Work.

The CONSULTANT hereby assigns to the CITY all rights to produce, give, sell, and distribute still or motion images and models or other likeness of any kind of the Work, the compensation for which is part of the fee described above, but shall exercise no rights thereto inconsistent with the provision of this Section 14. The CITY may provide appropriate credit to the CONSULTANT on all such material, but is not obligated to do so.

Any Memoranda, Reports, Maps, Drawings, Renderings, Photos, Plans, Specifications, and other documents prepared by the CONSULTANT for this Project, whether paper or electronic, shall become the property of the CITY for use with respect to this Project, and shall be turned over to the CITY upon completion of the Project, or any phase thereof, as contemplated by this Agreement.

The CONSULTANT agrees that the CITY may use, reuse, alter, reproduce, modify, assign, transfer, or in any other way, medium, or method utilize the CONSULTANT'S written work product for the CITY'S purposes, and the CONSULTANT expressly waives and disclaims any residual rights granted to it by state or federal law, including Civil Code Sections 980 through 989 relating to intellectual property and artistic works and 17 United States Code §106A and §113(d) relating to artists rights. The provisions of this Section 14 shall survive the termination of this Agreement.

15. **REPAIRS.** To the extent practical, all repairs and restorations made during the lifetime of the CONSULTANT shall have the CONSULTANT'S approval. To the extent practical, the CITY shall give the CONSULTANT the opportunity to perform the repairs and restoration at a reasonable fee.

16. **PROCESS DOCUMENTATION.** The CONSULTANT shall document, photographically and in writing ("Documentation"), the creative process for production of the Work at various and appropriate stages and shall provide that documentation to the CITY prior to installation of the Work. Consistent with Sections 14 and 31, ownership of the Documentation shall pass to and become property of the City once received by the City.

17. **CONTROL.** Neither the CITY nor its officers, agents, or employees shall have any control over the conduct of the CONSULTANT or any of the CONSULTANT'S employees, except as herein set forth, and the CONSULTANT or the CONSULTANT'S agents, servants, or employees are not in any manner agents, servants, or employees of the CITY, it being understood that the CONSULTANT its agents, servants, and employees are as to the CITY wholly independent CONSULTANT, and that the CONSULTANT'S obligations to the CITY are solely such as are prescribed by this Agreement.

18. **COMPLIANCE WITH APPLICABLE LAW.** The CONSULTANT, in the performance of the services to be provided herein, shall comply with all applicable state and federal statutes and regulations, and all applicable ordinances, rules, and regulations of the City of National City, whether now in force or subsequently enacted. The CONSULTANT and each of its SUBCONSULTANT(S), shall obtain and maintain a current City of National City business license prior to and during performance of any work pursuant to this Agreement.

19. **LICENSES, PERMITS, ETC.** The CONSULTANT represents and covenants that it has all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession. The CONSULTANT represents and covenants that the CONSULTANT shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any license, permit, or approval which is legally required for the CONSULTANT to practice its profession.

20. **STANDARD OF CARE.**

A. The CONSULTANT, in performing any services under this Agreement, shall perform in a manner consistent with that level of care and skill ordinarily exercised by members of the CONSULTANT'S trade or profession currently practicing under similar conditions and in similar locations. The CONSULTANT shall take all special precautions necessary to protect the CONSULTANT'S employees and members of the public from risk of harm arising out of the nature of the work and/or the conditions of the work site.

B. Unless disclosed in writing prior to the date of this Agreement, the CONSULTANT warrants to the CITY that it is not now, nor has it for the five (5) years preceding, been debarred by a governmental agency or involved in debarment, arbitration or litigation proceedings concerning the CONSULTANT'S professional performance or the furnishing of materials or services relating thereto.

C. The CONSULTANT is responsible for identifying any unique products, treatments, processes or materials whose availability is critical to the success of the project the CONSULTANT has been retained to perform, within the time requirements of the CITY, or, when no time is specified, then within a commercially reasonable time. Accordingly, unless the CONSULTANT has notified the CITY otherwise, the CONSULTANT warrants that all products, materials, processes or treatments identified in the project documents prepared for the CITY are reasonably commercially available. Any failure by the CONSULTANT to use due diligence under this sub-paragraph will render the CONSULTANT liable to the CITY for any increased costs that result from the CITY'S later inability to obtain the specified items or any reasonable substitute within a price range that allows for project completion in the time frame specified or, when not specified, then within a commercially reasonable time.

21. **NON-DISCRIMINATION PROVISIONS.** The CONSULTANT shall not discriminate against any employee or applicant for employment because of age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. The CONSULTANT will take positive action to insure that applicants are employed without regard to their age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The CONSULTANT agrees to post in conspicuous places available to employees and applicants for employment any notices provided by the CITY setting forth the provisions of this non-discrimination clause.

22. **CONFIDENTIAL INFORMATION.** The CITY may from time to time communicate to the CONSULTANT certain confidential information to enable the CONSULTANT to effectively perform the services to be provided herein. The CONSULTANT shall treat all such information as confidential and shall not disclose any part thereof without the prior written consent of the CITY. The CONSULTANT shall limit the use and circulation of such information, even within its own organization, to the extent necessary to perform the services to be provided herein. The foregoing obligation of this Section 14, however, shall not apply to any part of the information that (i) has been disclosed in publicly available sources of information; (ii) is, through no fault of the CONSULTANT, hereafter disclosed in publicly available sources of information; (iii) is already in the possession of the CONSULTANT without any obligation of confidentiality; or (iv) has been or is hereafter rightfully disclosed to the CONSULTANT by a third party, but only to the extent that the use or disclosure thereof has been or is rightfully authorized by that third party.

The CONSULTANT shall not disclose any reports, recommendations, conclusions or other results of the services or the existence of the subject matter of this Agreement without the prior written consent of the CITY. In its performance hereunder, the CONSULTANT shall comply with all legal obligations it may now or hereafter have respecting the information or other property of any other person, firm or corporation.

CONSULTANT shall be liable to CITY for any damages caused by breach of this condition, pursuant to the provisions of this Section 22.



23. **INDEMNIFICATION AND HOLD HARMLESS.** The CONSULTANT agrees to defend, indemnify and hold harmless the City of National City, its officers and employees, against and from any and all liability, loss, damages to property, injuries to, or death of any person or persons, and all claims, demands, suits, actions, proceedings, reasonable attorneys' fees, and defense costs, of any kind or nature, including workers' compensation claims, of or by anyone whomsoever, resulting from or arising out of the CONSULTANT'S performance or other obligations under this Agreement; provided, however, that this indemnification and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of the City, its agents, officers, or employees. The indemnity, defense, and hold harmless obligations contained herein shall survive the termination of this Agreement for any alleged or actual omission, act, or negligence under this Agreement that occurred during the term of this Agreement.

24. **WORKERS' COMPENSATION.** The CONSULTANT shall comply with all of the provisions of the Workers' Compensation Insurance and Safety Acts of the State of California, the applicable provisions of Division 4 and 5 of the California Government Code and all amendments thereto; and all similar State or federal acts or laws applicable; and shall indemnify, and hold harmless the CITY and its officers, officials, and employees from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description, including reasonable attorney's fees and defense costs presented, brought or recovered against the CITY or its officers, employees, or volunteers, for or on account of any liability under any of said acts which may be incurred by reason of any work to be performed by the CONSULTANT under this Agreement.

25. **INSURANCE.** The CONSULTANT, at its sole cost and expense, shall purchase and maintain, and shall require its SUBCONSULTANT(S), when applicable, to purchase and maintain throughout the term of this Agreement, the following checked insurance policies:

A. ☐ If checked, **Professional Liability Insurance** (errors and omissions) with minimum limits of \$1,000,000 per occurrence.

B. **Automobile Insurance** covering all bodily injury and property damage incurred during the performance of this Agreement, with a minimum coverage of \$1,000,000 combined single limit per accident. Such automobile insurance shall include owned, non-owned, and hired vehicles ("any auto"). The policy shall name the CITY and its officers, agents and employees as additional insureds, and a separate additional insured endorsement shall be provided.

C. **Commercial General Liability Insurance**, with minimum limits of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering all bodily injury and property damage arising out of its operations, work, or performance under this Agreement. The policy shall name the CITY and its officers, agents and employees as additional insureds, and a separate additional insured endorsement shall be provided. The general aggregate limit must apply solely to this "project" or "location". The "project" or "location" should be noted with specificity on an endorsement that shall be incorporated into the policy.

D. **Workers' Compensation Insurance** in an amount sufficient to meet statutory requirements covering all of CONSULTANT'S employees and employers' liability insurance with limits of at least \$1,000,000 per accident. In addition, the policy shall be endorsed

with a waiver of subrogation in favor of the City. Said endorsement shall be provided prior to commencement of work under this Agreement.

If CONSULTANT has no employees subject to the California Workers' Compensation and Labor laws, CONSULTANT shall execute a Declaration to that effect. Said Declaration shall be provided to CONSULTANT by CITY.

E. The aforesaid policies shall constitute primary insurance as to the CITY, its officers, employees, and volunteers, so that any other policies held by the CITY shall not contribute to any loss under said insurance. Said policies shall provide for thirty (30) days prior written notice to the CITY of cancellation or material change.

F. If required insurance coverage is provided on a "claims made" rather than "occurrence" form, the CONSULTANT shall maintain such insurance coverage for three years after expiration of the term (and any extensions) of this Agreement. In addition, the "retro" date must be on or before the date of this Agreement.

G. Insurance shall be written with only California admitted companies that hold a current policy holder's alphabetic and financial size category rating of not less than A VIII according to the current Best's Key Rating Guide, or a company equal financial stability that is approved by the CITY'S Risk Manager. In the event coverage is provided by non-admitted "surplus lines" carriers, they must be included on the most recent California List of Eligible Surplus Lines Insurers (LESLI list) and otherwise meet rating requirements.

H. This Agreement shall not take effect until certificate(s) or other sufficient proof that these insurance provisions have been complied with, are filed with and approved by the CITY'S Risk Manager. If the CONSULTANT does not keep all of such insurance policies in full force and effect at all times during the terms of this Agreement, the CITY may elect to treat the failure to maintain the requisite insurance as a breach of this Agreement and terminate the Agreement as provided herein.

I. All deductibles and self-insured retentions in excess of \$10,000 must be disclosed to and approved by the CITY.

26. **LEGAL FEES.** If any party brings a suit or action against the other party arising from any breach of any of the covenants or agreements or any inaccuracies in any of the representations and warranties on the part of the other party arising out of this Agreement, then in that event, the prevailing party in such action or dispute, whether by final judgment or out-of-court settlement, shall be entitled to have and recover of and from the other party all costs and expenses of suit, including attorneys' fees.

For purposes of determining who is to be considered the prevailing party, it is stipulated that attorney's fees incurred in the prosecution or defense of the action or suit shall not be considered in determining the amount of the judgment or award. Attorney's fees to the prevailing party if other than the CITY shall, in addition, be limited to the amount of attorney's fees incurred by the CITY in its prosecution or defense of the action, irrespective of the actual amount of attorney's fees incurred by the prevailing party.

27. **MEDIATION/ARBITRATION.** If a dispute arises out of or relates to this Agreement, or the breach thereof, the parties agree first to try, in good faith, to settle the dispute by mediation in San Diego, California, in accordance with the Commercial Mediation Rules of the American Arbitration Association (the "AAA") before resorting to arbitration. The costs of

mediation shall be borne equally by the parties. Any controversy or claim arising out of, or relating to, this Agreement, or breach thereof, which is not resolved by mediation shall be settled by arbitration in San Diego, California, in accordance with the Commercial Arbitration Rules of the AAA then existing. Any award rendered shall be final and conclusive upon the parties, and a judgment thereon may be entered in any court having jurisdiction over the subject matter of the controversy. The expenses of the arbitration shall be borne equally by the parties to the arbitration, provided that each party shall pay for and bear the costs of its own experts, evidence and attorneys' fees, except that the arbitrator may assess such expenses or any part thereof against a specified party as part of the arbitration award.

**28. TERMINATION.**

A. This Agreement may be terminated with or without cause by the CITY. Termination without cause shall be effective only upon 30-day's written notice to the CONSULTANT. During said 30-day period the CONSULTANT shall perform all services in accordance with this Agreement.

B. This Agreement may also be terminated immediately by the CITY for cause in the event of a material breach of this Agreement, misrepresentation by the CONSULTANT in connection with the formation of this Agreement or the performance of services, or the failure to perform services as directed by the CITY.

C. Termination with or without cause shall be effected by delivery of written Notice of Termination to the CONSULTANT as provided for herein.

D. In the event of termination, all finished or unfinished Memoranda, Reports, Maps, Drawings, Renderings, Photos, Plans, Specifications and other documents prepared by the CONSULTANT, whether paper or electronic, shall immediately become the property of and be delivered to the CITY, and the CONSULTANT shall be entitled to receive just and equitable compensation for any work satisfactorily completed on such documents and other materials up to the effective date of the Notice of Termination, not to exceed the amounts payable hereunder, and less any damages caused the CITY by the CONSULTANT'S breach, if any. Thereafter, ownership of said written material shall vest in the CITY all rights set forth in Section 14.

E. The CITY further reserves the right to immediately terminate this Agreement upon: (1) the filing of a petition in bankruptcy affecting the CONSULTANT; (2) a reorganization of the CONSULTANT for the benefit of creditors; or (3) a business reorganization, change in business name or change in business status of the CONSULTANT.

**29. NOTICES.** All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered; or sent by overnight mail (Federal Express or the like); or sent by registered or certified mail, postage prepaid, return receipt requested; or sent by ordinary mail, postage prepaid; or telegraphed or cabled; or delivered or sent by telex, telecopy, facsimile or fax; and shall be deemed received upon the earlier of (i) if personally delivered, the date of delivery to the address of the person to receive such notice, (ii) if sent by overnight mail, the business day following its deposit in such overnight mail facility, (iii) if mailed by registered, certified or ordinary mail, five (5) days (ten (10) days if the address is outside the State of California) after the date of deposit in a post office, mailbox, mail chute, or other like facility regularly maintained by the United States Postal Service, (iv) if given by telegraph or cable, when delivered to the telegraph company with charges prepaid, or (v) if given

by telex, telecopy, facsimile or fax, when sent. Any notice, request, demand, direction or other communication delivered or sent as specified above shall be directed to the following persons:

To CITY: Stephen Manganiello  
Director of Public Works / City Engineer  
Engineering & Public Works Department  
City of National City  
1243 National City Boulevard  
National City, CA 91950-4301

To CONSULTANT:  
Matt D'Arrigo  
CEO / Founder  
A Reason to Survive, Inc.  
200 E. 12<sup>th</sup> Street  
National City, CA 91950

Notice of change of address shall be given by written notice in the manner specified in this Section. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice, demand, request or communication sent. Any notice, request, demand, direction or other communication sent by cable, telex, telecopy, facsimile or fax must be confirmed within forty-eight (48) hours by letter mailed or delivered as specified in this Section.

**30. CONFLICT OF INTEREST AND POLITICAL REFORM ACT**

**OBLIGATIONS.** During the term of this Agreement, the CONSULTANT shall not perform services of any kind for any person or entity whose interests conflict in any way with those of the City of National City. The CONSULTANT also agrees not to specify any product, treatment, process or material for the project in which the CONSULTANT has a material financial interest, either direct or indirect, without first notifying the CITY of that fact. The CONSULTANT shall at all times comply with the terms of the Political Reform Act and the National City Conflict of Interest Code. The CONSULTANT shall immediately disqualify itself and shall not use its official position to influence in any way any matter coming before the CITY in which the CONSULTANT has a financial interest as defined in Government Code Section 87103. The CONSULTANT represents that it has no knowledge of any financial interests that would require it to disqualify itself from any matter on which it might perform services for the CITY.

☐ If checked, the CONSULTANT shall comply with all of the reporting requirements of the Political Reform Act and the National City Conflict of Interest Code. Specifically, the CONSULTANT shall file a Statement of Economic Interests with the City Clerk of the City of National City in a timely manner on forms which the CONSULTANT shall obtain from the City Clerk.

The CONSULTANT shall be strictly liable to the CITY for all damages, costs or expenses the CITY may suffer by virtue of any violation of this Section 30 by the CONSULTANT.



31. **WAIVER.** Due to the nature of the work of art and the site on which it is installed, the CONSULTANT and his/her agents, heirs, successors and assigns hereby waive any and all federal and state rights they may have in or to the Work, including but not limited to copyright, any rights under the Visual Artists Rights Act, as set forth at 17 U.S.C. §106A and §113(d), and any rights under the California Art Preservation Act, as set forth in Civil Code Section 987. The CONSULTANT agrees that upon completion, ownership in the physical work of art which is created pursuant to this Agreement shall be transferred to and shall vest in the CITY, and the CONSULTANT hereby expressly waives and releases all rights of ownership to the work of art, including but not limited to those under Civil Code Section 988. The CONSULTANT and his/her agents, heirs, successors and assigns also agree not to attempt to defeat this waiver by cooperating with any organization which seeks to bring an action against City under Civil Code Section 989 or any other provision of law. The provisions of this Section 31 shall survive the termination of this Agreement.

32. **MISCELLANEOUS PROVISIONS.**

A. *Computation of Time Periods.* If any date or time period provided for in this Agreement is or ends on a Saturday, Sunday or federal, state or legal holiday, then such date shall automatically be extended until 5:00 p.m. Pacific Time of the next day which is not a Saturday, Sunday or federal, state, or legal holiday.

B. *Counterparts.* This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument.

C. *Captions.* Any captions to, or headings of, the sections or subsections of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

D. *No Obligations to Third Parties.* Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, or obligate any of the parties hereto, to any person or entity other than the parties hereto.

E. *Exhibits and Schedules.* The Exhibits and Schedules attached hereto are hereby incorporated herein by this reference for all purposes. To the extent any provision of any Exhibit or Schedule conflicts or is inconsistent with provisions of this Agreement, the terms of this Agreement shall control.

F. *Amendment to this Agreement.* The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

G. *Waiver.* The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

H. *Applicable Law.* This Agreement shall be governed by and construed in accordance with the laws of the State of California.

I. *Audit.* If this Agreement exceeds ten-thousand dollars (\$10,000), the parties shall be subject to the examination and audit of the State Auditor for a period of three (3) years after final payment under the Agreement, per Government Code Section 8546.7.

J. *Entire Agreement.* This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between the parties as to the subject matter hereof. No subsequent agreement, representation, or promise

made by either party hereto, or by or to an employee, officer, agent or representative of any party hereto shall be of any effect unless it is in writing and executed by the party to be bound thereby.

K. *Successors and Assigns.* This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

L. *Construction.* The parties acknowledge and agree that (i) each party is of equal bargaining strength, (ii) each party has actively participated in the drafting, preparation and negotiation of this Agreement, (iii) each such party has consulted with or has had the opportunity to consult with its own, independent counsel and such other professional advisors as such party has deemed appropriate, relative to any and all matters contemplated under this Agreement, (iv) each party and such party's counsel and advisors have reviewed this Agreement, (v) each party has agreed to enter into this Agreement following such review and the rendering of such advice, and (vi) any rule or construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement, or any portions hereof, or any amendments hereto.

M. *Statutory References.* A reference in this Agreement to any state or federal statute or act means the section as in effect or as later amended.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

**CITY OF NATIONAL CITY**

**A REASON TO SURVIVE, INC. (ARTS)**

By: \_\_\_\_\_  
Ron Morrison, Mayor

By: \_\_\_\_\_  
Matt D'Arrigo, CEO / Founder

APPROVED AS TO FORM:

\_\_\_\_\_  
George H. Eiser, III  
Interim City Attorney

## EXHIBIT "A"

### + A Reason to Survive | ARTS

Changing the life trajectory of youth through the arts and creativity

200 E 12<sup>th</sup> Street  
National City, CA 91950  
Phone: 619.297.2787  
Web: [www.areasontosurvive.org](http://www.areasontosurvive.org)

Mr. Stephen Manganiello  
Director of Public Works/City Engineer  
National City Engineer Division  
1243 National City Blvd.  
National City, CA 91950

11/1/2016

Dear Steve:

The City of National City received an Active Transportation Grant Program grant from the San Diego Association of Governments ("SANDAG") to design, fabricate and install custom bike racks at various locations Citywide, including community parks, recreation centers, community centers, business districts and along bicycle corridors. A Reason to Survive is pleased to submit this proposal to work with local middle and/or high school students to design custom bike racks and coordinate fabrication.

#### CUSTOM BIKE RACKS PROJECT SCOPE OF WORK

##### I. PROJECT OVERVIEW

ARTS, in collaboration with local middle and/or high school students, will host workshops to create custom Bike Racks for the City of National City. During the workshops, students will visit prospective sites, create initial sketches, study bike rack design and compliance, create cardboard and wire models, and build full-scale wooden prototypes.

##### II. PROJECT ACTIVITIES

###### A. Design

ARTS will host workshops to engage local middle and/or high school students to design custom bike racks. The creative approach will be a combination of collaborative design and a design competition.

###### a. Site Selection:

ARTS will initially reach out to the community to assess needs and determine locations for Bike Racks. ARTS will then consult with National City for approval of locations.

###### b. Design Development:

ARTS will host concept and design workshops either off-site in the schools or at the ARTS Center's Industrial Arts Shop.

###### c. Engineering Approval:

ARTS will submit photos of all prototypes with details on size and materials to City Engineering for review and comment to ensure compliance with State and Regional Bike Rack design guidelines.



**B. Fabrication**

Prototyping and fabrication will be completed either at the ARTS Center, Sweetwater Welding Academy or outsourced locally, depending upon the level of complexity. Each bike rack will include a secure stainless steel base plate to allow for mounting into concrete or asphalt using heavy duty, stainless steel threaded bolts.

**C. Installation**

City Public Works crews will install each bike rack in concrete or asphalt using heavy duty, stainless steel threaded bolts upon approval by the Director of Public Works / City Engineer.

**III. COMMUNITY ENGAGEMENT**

**A. Key Partnerships**

ARTS will partner with local middle and/or high schools to connect with classrooms to promote civic engagement and educate youth on active transportation. Additional partners for this Project may include, but are not limited to, the City of National City, Olivewood Gardens, National City Public Library, Boys and Girls Club of America, National City Middle School, Sweetwater High School, Health and Human Services Agency, and National City Nutrition Center.

**B. Youth Apprenticeships**

ARTS will partner with Sweetwater High School and other local high schools to offer apprenticeships for youth to learn workforce development skills. Apprentices will work approximately 8-10 hours per week during the Project, with an opportunity to earn \$10 to \$12 per hour. ARTS will also offer Service Learning hours for interested students.

**IV. SCHEDULE**

- November 2016 – January 2017
  - Outreach to local middle/high schools and community partners
  - Site evaluations
- January 2017 – March 2017
  - Host workshops to develop prototypes
  - Prepare CAD drawings
- March 2017 – June 2017
  - Complete fabrication and installation of bike racks
  - Prepare final report

**CUSTOM BIKE RACKS THROUGH ARTS  
(PREVIOUS SANDAG BIKE RACK GRANT PROGRAM)**





# CERTIFICATE OF LIABILITY INSURANCE

AREAS01

OP ID: S1

DATE (MM/DD/YYYY)

07/15/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Johnson & Wood Ins Serv, A Div of Hub Int'l Ins Serv Inc 5731 Palmer Way, Suite D Carlsbad, CA 92010 Ed Johnson	<b>CONTACT NAME:</b> Ed Johnson <b>PHONE (A/C, No, Ext):</b> 760-603-0131 <b>E-MAIL ADDRESS:</b> <b>FAX (A/C, No):</b> 760-603-8135
<b>INSURED</b> A Reason to Survive 200 E. 12th. St National City, CA 91950	<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Philadelphia Indemnity Ins Co <b>INSURER B:</b> State Compensation Ins. Fund <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>
	<b>NAIC #</b> 18058

**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	X		PHPK1512422	07/01/2016	07/01/2017	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Emp Ben. \$ 1,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			PHPK1512422	07/01/2016	07/01/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (PER ACCIDENT) \$ \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	9037947	12/20/2015	12/20/2016	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

The City of National City, its elected officials, officers, agents and employees are named as additional insured per General Liability form #PI-GLD-HS(10/11), when required by written contract.

**CERTIFICATE HOLDER****CANCELLATION**

<b>CITNAT1</b>  City of National City 1243 National City Blvd National City, CA 91950	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
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ACORD 25 (2010/05)

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****GENERAL LIABILITY DELUXE ENDORSEMENT:  
HUMAN SERVICES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE**

It is understood and agreed that the following extensions only apply in the event that no other specific coverage for the indicated loss exposure is provided under this policy. If such specific coverage applies, the terms, conditions and limits of that coverage are the sole and exclusive coverage applicable under this policy, unless otherwise noted on this endorsement. The following is a summary of the Limits of Insurance and additional coverages provided by this endorsement. For complete details on specific coverages, consult the policy contract wording.

Coverage Applicable	Limit of Insurance	Page #
Extended Property Damage	Included	2
Limited Rental Lease Agreement Contractual Liability	\$50,000 limit	2
Non-Owned Watercraft	Less than 58 feet	2
Damage to Property You Own, Rent, or Occupy	\$30,000 limit	2
Damage to Premises Rented to You	\$1,000,000	3
HIPAA	Clarification	4
Medical Payments	\$20,000	5
Medical Payments – Extended Reporting Period	3 years	5
Athletic Activities	Amended	5
Supplementary Payments – Bail Bonds	\$5,000	5
Supplementary Payment – Loss of Earnings	\$1,000 per day	5
Employee Indemnification Defense Coverage	\$25,000	5
Key and Lock Replacement – Janitorial Services Client Coverage	\$10,000 limit	6
Additional Insured – Newly Acquired Time Period	Amended	6
Additional Insured – Medical Directors and Administrators	Included	7
Additional Insured – Managers and Supervisors (with Fellow Employee Coverage)	Included	7
Additional Insured – Broadened Named Insured	Included	7
Additional Insured – Funding Source	Included	7
Additional Insured – Home Care Providers	Included	7
Additional Insured – Managers, Landlords, or Lessors of Premises	Included	7
Additional Insured – Lessor of Leased Equipment	Included	7
Additional Insured – Grantor of Permits	Included	8
Additional Insured – Vendor	Included	8
Additional Insured – Franchisor	Included	9
Additional Insured – When Required by Contract	Included	9
Additional Insured – Owners, Lessees, or Contractors	Included	9
Additional Insured – State or Political Subdivisions	Included	10



Duties in the Event of Occurrence, Claim or Suit	Included	10
Unintentional Failure to Disclose Hazards	Included	10
Transfer of Rights of Recovery Against Others To Us	Clarification	10
Liberalization	Included	11
Bodily Injury – includes Mental Anguish	Included	11
Personal and Advertising Injury – includes Abuse of Process, Discrimination	Included	11

#### **A. Extended Property Damage**

**SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Subsection 2. **Exclusions**, Paragraph a. is deleted in its entirety and replaced by the following:

##### **a. Expected or Intended Injury**

"Bodily injury" or property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

#### **B. Limited Rental Lease Agreement Contractual Liability**

**SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Subsection 2. **Exclusions**, Paragraph b. **Contractual Liability** is amended to include the following:

- (3) Based on the named insured's request at the time of claim, we agree to indemnify the named insured for their liability assumed in a contract or agreement regarding the rental or lease of a premises on behalf of their client, up to \$50,000. This coverage extension only applies to rental lease agreements. This coverage is excess over any renter's liability insurance of the client.

#### **C. Non-Owned Watercraft**

**SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Subsection 2. **Exclusions**, Paragraph g. (2) is deleted in its entirety and replaced by the following:

- (2) A watercraft you do not own that is:
  - (a) Less than 58 feet long; and
  - (b) Not being used to carry persons or property for a charge;

This provision applies to any person, who with your consent, either uses or is responsible for the use of a watercraft. This insurance is excess over any other valid and collectible insurance available to the insured whether primary, excess or contingent.

#### **D. Damage to Property You Own, Rent or Occupy**

**SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE**



**LIABILITY, Subsection 2. Exclusions, Paragraph j. Damage to Property, Item (1)** is deleted in its entirety and replaced with the following:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property, unless the damage to property is caused by your client, up to a \$30,000 limit. A client is defined as a person under your direct care and supervision.

**E. Damage to Premises Rented to You**

1. If damage by fire to premises rented to you is not otherwise excluded from this Coverage Part, the word "fire" is changed to "fire, lightning, explosion, smoke, or leakage from automatic fire protective systems" where it appears in:

- a. The last paragraph of **SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Subsection 2. Exclusions**; is deleted in its entirety and replaced by the following:

Exclusions c. through n. do not apply to damage by fire, lightning, explosion, smoke, or leakage from automatic fire protective systems to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in **SECTION III – LIMITS OF INSURANCE**.

- b. **SECTION III – LIMITS OF INSURANCE, Paragraph 6.** is deleted in its entirety and replaced by the following:

Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning, explosion, smoke, or leakage from automatic fire protective systems while rented to you or temporarily occupied by you with permission of the owner.

- c. **SECTION V – DEFINITIONS, Paragraph 9.a.,** is deleted in its entirety and replaced by the following:

A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning, explosion, smoke, or leakage from automatic fire protective systems to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

2. **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, Subsection 4. Other Insurance, Paragraph b. Excess Insurance, (1) (a) (ii)** is deleted in its entirety and replaced by the following:

That is insurance for fire, lightning, explosion, smoke, or leakage from automatic fire protective systems for premises rented to you or temporarily occupied by you with permission of the owner;

3. The Damage To Premises Rented To You Limit section of the Declarations is amended to the greater of:

- a. \$1,000,000; or
- b. The amount shown in the Declarations as the Damage to Premises Rented to You Limit.

This is the most we will pay for all damage proximately caused by the same event, whether such damage results from fire, lightning, explosion, smoke, or leaks from automatic fire protective systems or any combination thereof.

#### F. HIPAA

**SECTION I – COVERAGES, COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY,** is amended as follows:

1. Paragraph 1. **Insuring Agreement** is amended to include the following:

We will pay those sums that the insured becomes legally obligated to pay as damages because of a "violation(s)" of the Health Insurance Portability and Accountability Act (HIPAA). We have the right and the duty to defend the insured against any "suit," "investigation," or "civil proceeding" seeking these damages. However, we will have no duty to defend the insured against any "suit" seeking damages, "investigation," or "civil proceeding" to which this insurance does not apply.

2. Paragraph 2. **Exclusions** is amended to include the following additional exclusions:

This insurance does not apply to:

- a. **Intentional, Willful, or Deliberate Violations**

Any willful, intentional, or deliberate "violation(s)" by any insured.

- b. **Criminal Acts**

Any "violation" which results in any criminal penalties under the HIPAA.

- c. **Other Remedies**

Any remedy other than monetary damages for penalties assessed.

- d. **Compliance Reviews or Audits**

Any compliance reviews by the Department of Health and Human Services.

3. **SECTION V – DEFINITIONS** is amended to include the following additional definitions:

- a. "Civil proceeding" means an action by the Department of Health and Human Services (HHS) arising out of "violations."
- b. "Investigation" means an examination of an actual or alleged "violation(s)" by HHS. However, "investigation" does not include a Compliance Review.
- c. "Violation" means the actual or alleged failure to comply with the regulations included in the HIPAA.

**G. Medical Payments – Limit Increased to \$20,000, Extended Reporting Period**

If **COVERAGE C MEDICAL PAYMENTS** is not otherwise excluded from this Coverage Part:

1. The Medical Expense Limit is changed subject to all of the terms of **SECTION III - LIMITS OF INSURANCE** to the greater of:
  - a. \$20,000; or
  - b. The Medical Expense Limit shown in the Declarations of this Coverage Part.
2. **SECTION I – COVERAGES, COVERAGE C MEDICAL PAYMENTS**, Subsection 1. Insuring Agreement, a. (3) (b) is deleted in its entirety and replaced by the following:
  - (b) The expenses are incurred and reported to us within three years of the date of the accident.

**H. Athletic Activities**

**SECTION I – COVERAGES, COVERAGE C MEDICAL PAYMENTS**, Subsection 2. Exclusions, Paragraph e. **Athletic Activities** is deleted in its entirety and replaced with the following:

**e. Athletic Activities**

To a person injured while taking part in athletics.

**I. Supplementary Payments**

**SECTION I – COVERAGES, SUPPLEMENTARY PAYMENTS - COVERAGE A AND B** are amended as follows:

1. b. is deleted in its entirety and replaced by the following:
  1. b. Up to \$5000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these.
- 1.d. is deleted in its entirety and replaced by the following:
  1. d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$1,000 a day because of time off from work.

**J. Employee Indemnification Defense Coverage**

**SECTION I – COVERAGES, SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** the following is added:

We will pay, on your behalf, defense costs incurred by an "employee" in a criminal proceeding occurring in the course of employment.

The most we will pay for any "employee" who is alleged to be directly involved in a criminal proceeding is \$25,000 regardless of the numbers of "employees," claims or "suits" brought or persons or organizations making claims or bringing "suits."

**K. Key and Lock Replacement – Janitorial Services Client Coverage**

**SECTION I – COVERAGES, SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** is amended to include the following:

We will pay for the cost to replace keys and locks at the "clients" premises due to theft or other loss to keys entrusted to you by your "client," up to a \$10,000 limit per occurrence and \$10,000 policy aggregate.

We will not pay for loss or damage resulting from theft or any other dishonest or criminal act that you or any of your partners, members, officers, "employees", "managers", directors, trustees, authorized representatives or any one to whom you entrust the keys of a "client" for any purpose commit, whether acting alone or in collusion with other persons.

The following, when used on this coverage, are defined as follows:

a. "Client" means an individual, company or organization with whom you have a written contract or work order for your services for a described premises and have billed for your services.

b. "Employee" means:

(1) Any natural person:

(a) While in your service or for 30 days after termination of service;

(b) Who you compensate directly by salary, wages or commissions; and

(c) Who you have the right to direct and control while performing services for you; or

(2) Any natural person who is furnished temporarily to you:

(a) To substitute for a permanent "employee" as defined in Paragraph (1) above, who is on leave; or

(b) To meet seasonal or short-term workload conditions;

while that person is subject to your direction and control and performing services for you.

(3) "Employee" does not mean:

(a) Any agent, broker, person leased to you by a labor leasing firm, factor, commission merchant, consignee, independent contractor or representative of the same general character; or

(b) Any "manager," director or trustee except while performing acts coming within the scope of the usual duties of an "employee."

c. "Manager" means a person serving in a directorial capacity for a limited liability company.

**L. Additional Insureds**

**SECTION II – WHO IS AN INSURED** is amended as follows:

1. If coverage for newly acquired or formed organizations is not otherwise excluded from this

Coverage Part, Paragraph 3.a. is deleted in its entirety and replaced by the following:

- a. Coverage under this provision is afforded until the end of the policy period.
- 2. Each of the following is also an insured:
  - a. **Medical Directors and Administrators** – Your medical directors and administrators, but only while acting within the scope of and during the course of their duties as such. Such duties do not include the furnishing or failure to furnish professional services of any physician or psychiatrist in the treatment of a patient.
  - b. **Managers and Supervisors** – Your managers and supervisors are also insureds, but only with respect to their duties as your managers and supervisors. Managers and supervisors who are your "employees" are also insureds for "bodily injury" to a co-"employee" while in the course of his or her employment by you or performing duties related to the conduct of your business.

This provision does not change Item 2.a.(1)(a) as it applies to managers of a limited liability company.

- c. **Broadened Named Insured** – Any organization and subsidiary thereof which you control and actively manage on the effective date of this Coverage Part. However, coverage does not apply to any organization or subsidiary not named in the Declarations as Named Insured, if they are also insured under another similar policy, but for its termination or the exhaustion of its limits of insurance.
- d. **Funding Source** – Any person or organization with respect to their liability arising out of:
  - (1) Their financial control of you; or
  - (2) Premises they own, maintain or control while you lease or occupy these premises.

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

- e. **Home Care Providers** – At the first Named Insured's option, any person or organization under your direct supervision and control while providing for you private home respite or foster home care for the developmentally disabled.
- f. **Managers, Landlords, or Lessors of Premises** – Any person or organization with respect to their liability arising out of the ownership, maintenance or use of that part of the premises leased or rented to you subject to the following additional exclusions:

This insurance does not apply to:

- (1) Any "occurrence" which takes place after you cease to be a tenant in that premises; or
- (2) Structural alterations, new construction or demolition operations performed by or on behalf of that person or organization.
- g. **Lessor of Leased Equipment – Automatic Status When Required in Lease Agreement With You** – Any person or organization from whom you lease equipment when you and such person or organization have agreed in writing in a contract or agreement that such person or organization is to be added as an additional insured on your policy. Such person or



organization is an insured only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

A person's or organization's status as an additional insured under this endorsement ends when their contract or agreement with you for such leased equipment ends.

With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

- h. **Grantors of Permits** – Any state or political subdivision granting you a permit in connection with your premises subject to the following additional provision:
  - (1) This insurance applies only with respect to the following hazards for which the state or political subdivision has issued a permit in connection with the premises you own, rent or control and to which this insurance applies:
    - (a) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners or decorations and similar exposures;
    - (b) The construction, erection, or removal of elevators; or
    - (c) The ownership, maintenance, or use of any elevators covered by this insurance.
- i. **Vendors** – Only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:
  - (1) The insurance afforded the vendor does not apply to:
    - (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
    - (b) Any express warranty unauthorized by you;
    - (c) Any physical or chemical change in the product made intentionally by the vendor;
    - (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
    - (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
    - (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
- (h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
  - (i) The exceptions contained in Sub-paragraphs (d) or (f); or
  - (ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
- (2) This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing.
- J. **Franchisor** – Any person or organization with respect to their liability as the grantor of a franchise to you.
- K. **As Required by Contract** – Any person or organization where required by a written contract executed prior to the occurrence of a loss. Such person or organization is an additional insured for "bodily injury," "property damage" or "personal and advertising injury" but only for liability arising out of the negligence of the named insured. The limits of insurance applicable to these additional insureds are the lesser of the policy limits or those limits specified in a contract or agreement. These limits are included within and not in addition to the limits of insurance shown in the Declarations
- I. **Owners, Lessees or Contractors** – Any person or organization, but only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused, in whole or in part, by:
  - (1) Your acts or omissions; or
  - (2) The acts or omissions of those acting on your behalf;
 in the performance of your ongoing operations for the additional insured when required by a contract.

With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

- (a) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
- (b) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

**m. State or Political Subdivisions** – Any state or political subdivision as required, subject to the following provisions:

- (1) This insurance applies only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit, and is required by contract.
- (2) This insurance does not apply to:
  - (a) "Bodily injury," "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
  - (b) "Bodily injury" or "property damage" included within the "products-completed operations hazard."

**M. Duties in the Event of Occurrence, Claim or Suit**

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 2. is amended as follows:

a. is amended to include:

This condition applies only when the "occurrence" or offense is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership; or
- (3) An executive officer or insurance manager, if you are a corporation.

b. is amended to include:

This condition will not be considered breached unless the breach occurs after such claim or "suit" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership; or
- (3) An executive officer or insurance manager, if you are a corporation.

**N. Unintentional Failure To Disclose Hazards**

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, 6. Representations is amended to include the following:

It is agreed that, based on our reliance on your representations as to existing hazards, if you should unintentionally fail to disclose all such hazards prior to the beginning of the policy period of this Coverage Part, we shall not deny coverage under this Coverage Part because of such failure.

**O. Transfer of Rights of Recovery Against Others To Us**

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, 8. Transfer of Rights of



**Recovery Against Others To Us** is deleted in its entirety and replaced by the following:

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

Therefore, the insured can waive the insurer's rights of recovery prior to the occurrence of a loss, provided the waiver is made in a written contract.

**P. Liberalization**

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, is amended to include the following:

If we revise this endorsement to provide more coverage without additional premium charge, we will automatically provide the additional coverage to all endorsement holders as of the day the revision is effective in your state.

**Q. Bodily Injury – Mental Anguish**

**SECTION V – DEFINITIONS**, Paragraph 3. Is deleted in its entirety and replaced by the following:

"Bodily injury" means:

- a. Bodily injury, sickness or disease sustained by a person, and includes mental anguish resulting from any of these; and
- b. Except for mental anguish, includes death resulting from the foregoing (Item a. above) at any time.

**R. Personal and Advertising Injury – Abuse of Process, Discrimination**

If **COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY COVERAGE** is not otherwise excluded from this Coverage Part, the definition of "personal and advertising injury" is amended as follows:

- 1. **SECTION V – DEFINITIONS**, Paragraph 14.b. is deleted in its entirety and replaced by the following:

- b. Malicious prosecution or abuse of process;

- 2. **SECTION V – DEFINITIONS**, Paragraph 14. is amended by adding the following:

Discrimination based on race, color, religion, sex, age or national origin, except when:

- a. Done intentionally by or at the direction of, or with the knowledge or consent of:
  - (1) Any insured; or
  - (2) Any executive officer, director, stockholder, partner or member of the insured;
- b. Directly or indirectly related to the employment, former or prospective employment, termination of employment, or application for employment of any person or persons by an insured;

- c. Directly or indirectly related to the sale, rental, lease or sublease or prospective sales, rental, lease or sub-lease of any room, dwelling or premises by or at the direction of any insured; or
- d. Insurance for such discrimination is prohibited by or held in violation of law, public policy, legislation, court decision or administrative ruling.

The above does not apply to fines or penalties imposed because of discrimination.

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing installation of All-Way Stop control at the intersections of “K” Avenue & E. 6th Street and “J” Avenue & E. 5th Street (TSC No. 2016-16). (Engineering/Public Works)

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.**

**ITEM TITLE:**

Resolution of the City Council of the City of National City authorizing installation of All-Way Stop control at the intersections of "K" Avenue & E. 6th Street and "J" Avenue & E. 5th Street (TSC No. 2016-16).

**PREPARED BY:** Stephen Manganiello

**PHONE:** 619-336-4382

**EXPLANATION:**

See attached.

**DEPARTMENT:** Engineering/Public Works

**APPROVED BY:**



**FINANCIAL STATEMENT:**

**ACCOUNT NO.**

N/A

**APPROVED:** \_\_\_\_\_

Finance

**APPROVED:** \_\_\_\_\_

MIS

**ENVIRONMENTAL REVIEW:**

N/A

**ORDINANCE:** INTRODUCTION: ☐ FINAL ADOPTION: ☐

**STAFF RECOMMENDATION:**

Adopt the Resolution authorizing installation of All-Way Stop control at the intersections of "K" Avenue & E. 6th Street and "J" Avenue & E. 5th Street.

**BOARD / COMMISSION RECOMMENDATION:**

At their meeting on November 16, 2016, the Traffic Safety Committee unanimously approved the staff recommendation to install All-Way Stop control at the intersections of "K" Avenue & E. 6th Street and "J" Avenue & E. 5th Street.

**ATTACHMENTS:**

1. Explanation w/ Location Map
2. Staff Report to the Traffic Safety Committee on November 16, 2016 (TSC No. 2016-16)
3. Resolution

## **EXPLANATION**

A few residents expressed concerns regarding lack of traffic control along E. 5th Street and E. 6th Street between Highland Avenue and "L" Avenue. In particular, they requested installation of Stops signs at the intersections of "K" Avenue & E. 6th Street and "J" Avenue & E. 5th Street.

Engineering staff authorized one of the City's on-call, licensed traffic engineers to perform a traffic study for the neighborhood, which included site investigations, traffic counts, review of accident history and formal warrant analyses consistent with the procedures outlined in the State of California Manual on Uniform Traffic Control Devices (MUTCD). A copy of the traffic study report is on file at the Office of the City Engineer.

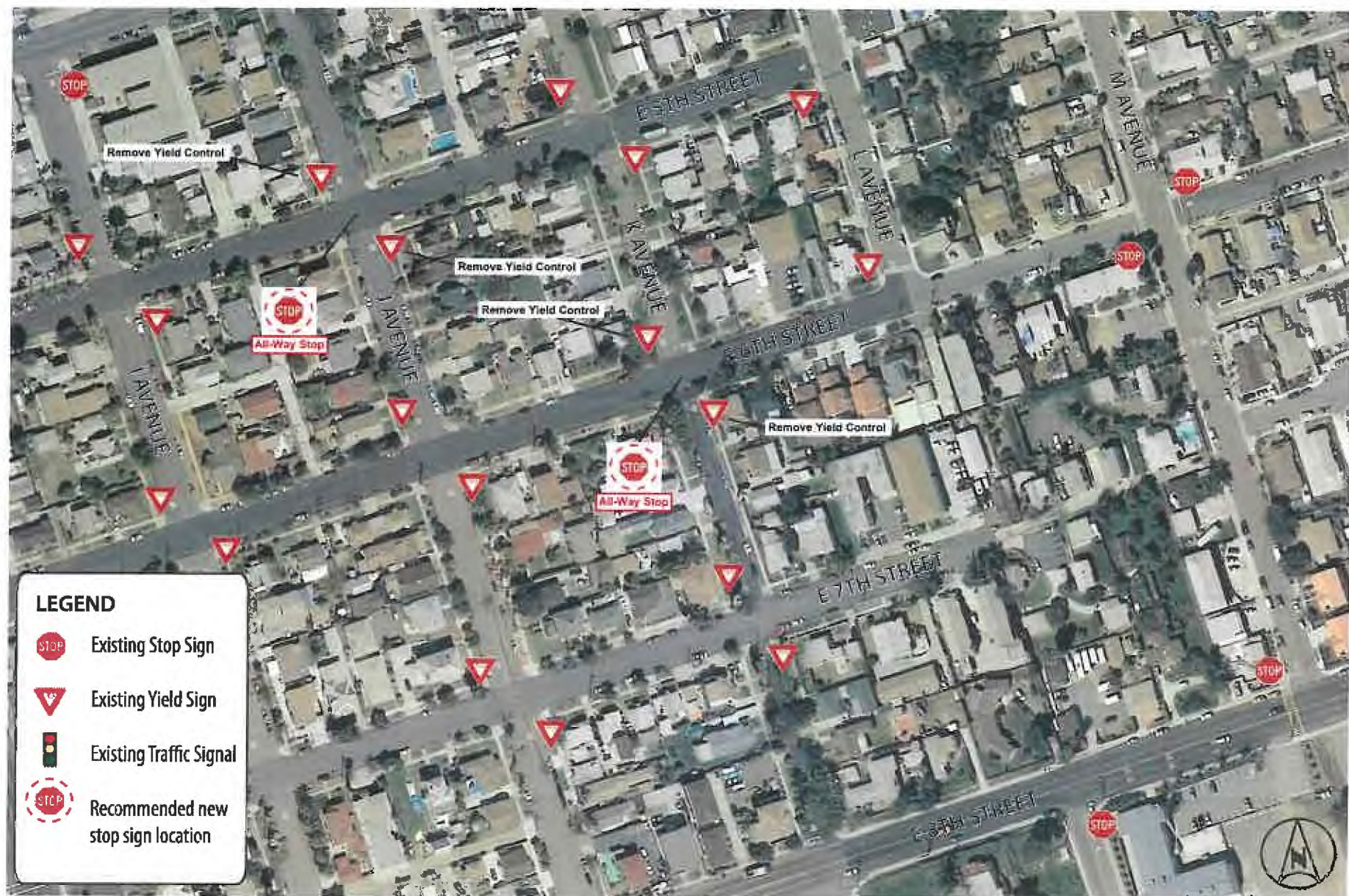
The traffic study confirmed that most of the intersections along E. 5th Street and E. 6th Street between Highland Avenue and "L" Avenue have Yield signs for the north-south streets and no traffic control along E. 5th Street and E. 6th Street. Traffic counts indicate the local streets in this neighborhood experience low traffic volumes ranging between 200 and 500 vehicles per day, on average. Review of accident history indicated no reported accidents within the study area.

While traffic volumes are low, MUTCD guidelines allow for consideration of multi-way stop control when the intersecting residential neighborhood streets are of similar design and operating characteristics and site conditions suggest the installation of multi-way Stop control would improve traffic operations.

Staff recommends removal of Two-Way Yield control and installation of All-Way Stop control at the intersections of "K" Avenue & E. 6th Street and "J" Avenue & E. 5th Street based on the analysis and findings of the traffic study, consistent with MUTCD guidelines.

If approved by City Council, all work will be performed by City Public Works.







**NATIONAL CITY TRAFFIC SAFETY COMMITTEE  
AGENDA REPORT FOR NOVEMBER 16, 2016**

**ITEM NO. 2016-16**

**ITEM TITLE:** REQUEST FOR INSTALLATION OF ALL-WAY STOP CONTROL AT THE INTERSECTIONS OF "K" AVENUE & E. 6TH STREET AND "J" AVENUE & E. 5TH STREET (BY NEIGHBORHOOD RESIDENTS)

**PREPARED BY:** Stephen Manganiello, Director of Public Works/City Engineer  
Engineering and Public Works Department

**DISCUSSION:**

A few residents expressed concerns regarding lack of traffic control along E. 5<sup>th</sup> Street and E. 6<sup>th</sup> Street between Highland Avenue and "L" Avenue. In particular, they requested installation of Stops signs at the intersections of "K" Avenue & E. 6<sup>th</sup> Street and "J" Avenue & E. 5<sup>th</sup> Street.

Engineering staff authorized one of the City's on-call, licensed traffic engineers to perform a traffic study for the neighborhood, which included site investigations, traffic counts, review of accident history and formal warrant analyses consistent with the procedures outlined in the State of California Manual on Uniform Traffic Control Devices (MUTCD). A copy of the traffic study report is on file at the Office of the City Engineer.

The traffic study confirmed that most of the intersections along E. 5<sup>th</sup> Street and E. 6<sup>th</sup> Street between Highland Avenue and "L" Avenue have Yield signs for the north-south streets and no traffic control along E. 5<sup>th</sup> Street and E. 6<sup>th</sup> Street. Traffic counts indicate the local streets in this neighborhood experience low traffic volumes ranging between 200 and 500 vehicles per day, on average. Review of accident history indicated no reported accidents within the study area.

While traffic volumes are low, MUTCD guidelines allow for consideration of multi-way stop control when the intersecting residential neighborhood streets are of similar design and operating characteristics and site conditions suggest the installation of multi-way Stop control would improve traffic operations.

**STAFF RECOMMENDATION:**

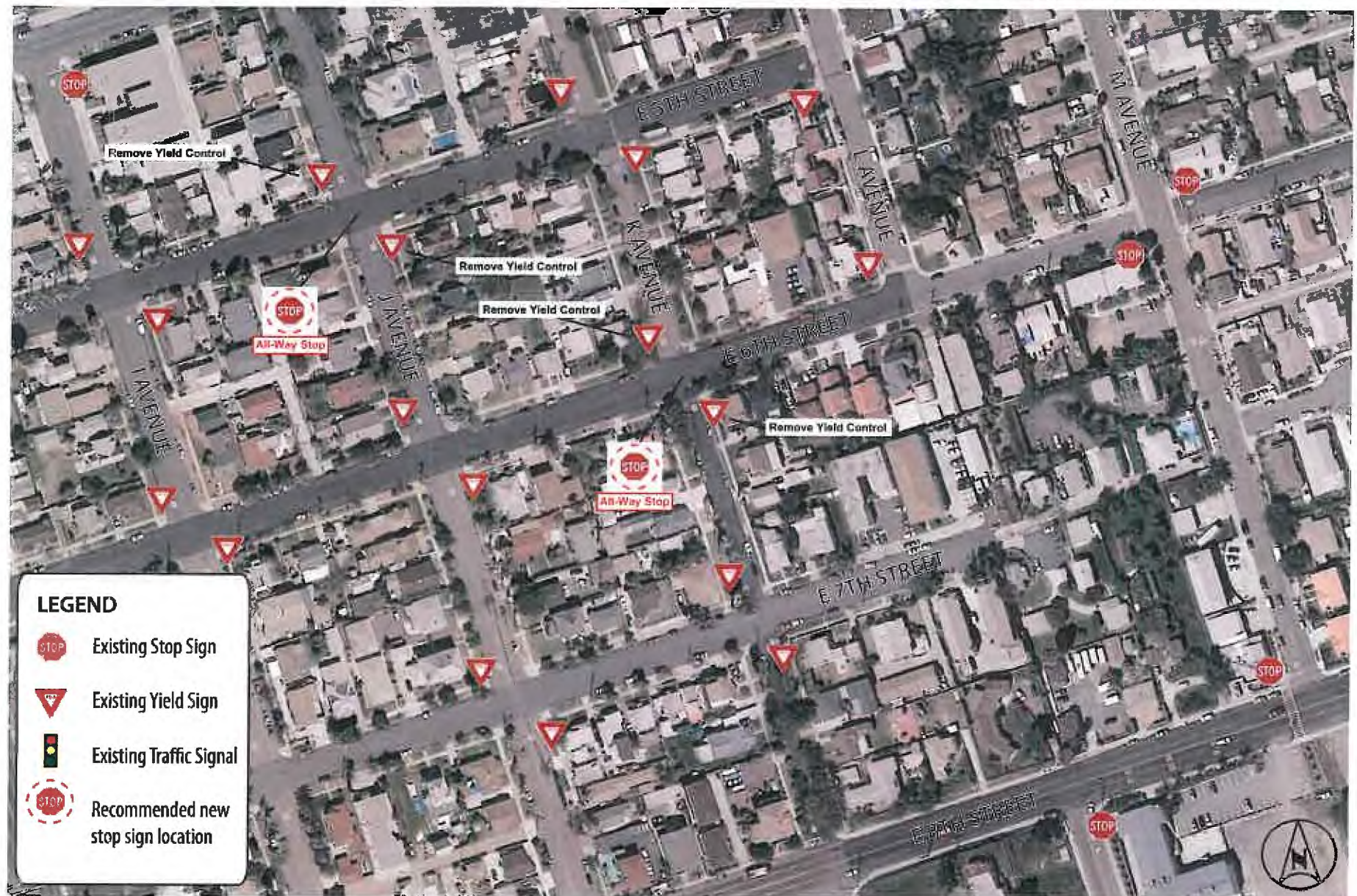
Staff recommends removal of Two-Way Yield control and installation of All-Way Stop control at the intersections of "K" Avenue & E. 6<sup>th</sup> Street and "J" Avenue & E. 5<sup>th</sup> Street based on the analysis and findings of the traffic study, consistent with MUTCD guidelines.

**ATTACHMENTS:**

1. Location Map w/ Recommendations

TSC #2016-16





The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the installation of Stop signs and Yield signs to provide traffic control at various intersections within the neighborhood bound by Alpha Street to the north, Division Street to the s



**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.**

**ITEM TITLE:**

Resolution of the City Council of the City of National City authorizing the installation of Stop signs and Yield signs to provide traffic control at various intersections within the neighborhood bound by Alpha Street to the north, Division Street to the south, Euclid Avenue to the east, and I-805 to the west (TSC No. 2016-17).

**PREPARED BY:** Stephen Manganiello


**PHONE:** 619-336-4382

**EXPLANATION:**

See attached.

**DEPARTMENT:** Engineering/Public Works

**APPROVED BY:**



**FINANCIAL STATEMENT:**

**ACCOUNT NO.**

N/A

**APPROVED:** \_\_\_\_\_ **Finance**

**APPROVED:** \_\_\_\_\_ **MIS**

**ENVIRONMENTAL REVIEW:**

N/A

**ORDINANCE:** **INTRODUCTION:** ☐ **FINAL ADOPTION:** ☐

**STAFF RECOMMENDATION:**

Adopt Resolution authorizing installation of Stop signs and Yield signs at various intersections within the neighborhood bound by Alpha Street to the north, Division Street to the south, Euclid Avenue to the east, and I-805 to the west.

**BOARD / COMMISSION RECOMMENDATION:**

At their meeting on November 16, 2016, the Traffic Safety Committee unanimously approved the staff recommendation to install Stop signs and Yield signs to provide traffic control at various intersections within the neighborhood bound by Alpha Street to the north, Division Street to the south, Euclid Avenue to the east, and I-805 to the west.

**ATTACHMENTS:**

1. Explanation w/ Location Map
2. Staff Report to the Traffic Safety Committee on November 16, 2016 (TSC No. 2016-17)
3. Resolution

## **EXPLANATION**

A few residents expressed concerns regarding lack of traffic control at several intersections within the neighborhood bound by Alpha Street to the north, Division Street to the south, Euclid Avenue to the east, and I-805 to the west.

Engineering staff authorized one of the City's on-call, licensed traffic engineers to perform a traffic study for the neighborhood, which included site investigations, traffic counts, review of accident history and formal warrant analyses consistent with the procedures outlined in the State of California Manual on Uniform Traffic Control Devices (MUTCD). A copy of the traffic study report is on file at the Office of the City Engineer.

The traffic study confirmed that a total of seven intersections within the neighborhood do not have traffic control signs. Review of accident history indicated one reported accident within the study area, which occurred at the intersection of Alpha Street / R Avenue and Beta Street.

Based on traffic count data collected and field observations, only the intersection of Alpha Street / R Avenue and Beta Street was found to satisfy minimum volume criteria for Stop or Yield control. The average daily traffic (ADT) of all approaches entering the intersection was found to exceed 2,000 units per day, justifying the intersection for consideration of Stop or Yield control. Based on peak-hour intersection counts and ADT volumes adjacent to the intersection, a large proportion of vehicles were found to utilize the north leg of the intersection, resulting in higher turning volumes and conflicts. Therefore, it is recommended that Stop signs be installed on the north and south legs of the intersection.

It is also recommended that Stop signs be installed at each of the five uncontrolled T-intersections located within the study area to clarify the right of way. See attached Exhibit for locations.

According to Section 2B-09 Yield Applications of the MUTCD, Yield signs may be considered on the approaches to a through street or highway where conditions are such that a full stop is not always required. Field observations suggest this condition may be possible for the minor street approaches at the intersection of Mann Avenue and Beta Street.

Staff recommends installation of the following traffic control at seven uncontrolled intersections within the neighborhood bound by Alpha Street to the north, Division Street to the south, Euclid Avenue to the east, and I-805 to the west, based on the analysis and findings of the traffic study, consistent with MUTCD guidelines:

- 1) Intersection of Alpha Street / R Avenue and Beta Street – install Stop control for the north and south legs of the intersection;
- 2) T-Intersection of R Avenue and Gamma Street – install Stop control for the north leg of the intersection;

- 3) T-Intersection of Q Avenue and La Posada Street – install Stop control for the east leg of the intersection;
- 4) T-Intersection of R Avenue and Delta Street – install Stop control for the east and west legs of the intersection;
- 5) T-Intersection of T Avenue and Gamma Street – install Stop control for the west leg of the intersection;
- 6) T-Intersection of U Avenue and Beta Street – install Stop control for the south leg of the intersection;
- 7) Intersection of Mann Avenue and Beta Street – install Yield control for the north and south legs of the intersection.

If approved by City Council, all work will be performed by City Public Works.







**NATIONAL CITY TRAFFIC SAFETY COMMITTEE  
AGENDA REPORT FOR NOVEMBER 16, 2016**

**ITEM NO. 2016-17**

**ITEM TITLE:** **REQUEST FOR INSTALLATION OF STOP SIGNS AT VARIOUS INTERSECTIONS WITHIN THE NEIGHBORHOOD BOUND BY ALPHA STREET TO THE NORTH, DIVISION STREET TO THE SOUTH, EUCLID AVENUE TO THE EAST, AND I-805 TO THE WEST (BY NEIGHBORHOOD RESIDENTS)**

**PREPARED BY:** Stephen Manganiello, Director of Public Works/City Engineer  
Engineering and Public Works Department

**DISCUSSION:**

A few residents expressed concerns regarding lack of traffic control at several intersections within the neighborhood bound by Alpha Street to the north, Division Street to the south, Euclid Avenue to the east, and I-805 to the west.

Engineering staff authorized one of the City's on-call, licensed traffic engineers to perform a traffic study for the neighborhood, which included site investigations, traffic counts, review of accident history and formal warrant analyses consistent with the procedures outlined in the State of California Manual on Uniform Traffic Control Devices (MUTCD). A copy of the traffic study report is on file at the Office of the City Engineer.

The traffic study confirmed that a total of seven intersections within the neighborhood do not have traffic control signs. Review of accident history indicated one reported accident within the study area, which occurred at the intersection of Alpha Street / R Avenue and Beta Street.

Based on traffic count data collected and field observations, only the intersection of Alpha Street / R Avenue and Beta Street was found to satisfy minimum volume criteria for Stop or Yield control. The average daily traffic (ADT) of all approaches entering the intersection was found to exceed 2,000 units per day, justifying the intersection for consideration of Stop or Yield control. Based on peak-hour intersection counts and ADT volumes adjacent to the intersection, a large proportion of vehicles were found to utilize the north leg of the intersection, resulting in higher turning volumes and conflicts. Therefore, it is recommended that Stop signs be installed on the north and south legs of the intersection.

It is also recommended that Stop signs be installed at each of the five uncontrolled T-intersections located within the study area to clarify the right of way. See attached Exhibit for locations.

According to Section 2B-09 Yield Applications of the MUTCD, Yield signs may be considered on the approaches to a through street or highway where conditions are such that a full stop is not always required. Field observations suggest this condition may be possible for the minor street approaches at the intersection of Mann Avenue and Beta Street.

**STAFF RECOMMENDATION:**

Staff recommends installation of the following traffic control at seven uncontrolled intersections within the neighborhood bound by Alpha Street to the north, Division Street to the south, Euclid Avenue to the east, and I-805 to the west, based on the analysis and findings of the traffic study, consistent with MUTCD guidelines:

- 1) Intersection of Alpha Street / R Avenue and Beta Street – install Stop control for the north and south legs of the intersection;
- 2) T-Intersection of R Avenue and Gamma Street – install Stop control for the north leg of the intersection;
- 3) T-Intersection of Q Avenue and La Posada Street – install Stop control for the east leg of the intersection;
- 4) T-Intersection of R Avenue and Delta Street – install Stop control for the east and west legs of the intersection;
- 5) T-Intersection of T Avenue and Gamma Street – install Stop control for the west leg of the intersection;
- 6) T-Intersection of U Avenue and Beta Street – install Stop control for the south leg of the intersection;
- 7) Intersection of Mann Avenue and Beta Street – install Yield control for the north and south legs of the intersection.

**ATTACHMENTS:**

1. Location Map w/ Recommendations

TSC #2016-17





The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the installation of two, 2-hour time restricted parking spaces on E. 6th Street adjacent to “Monte de Piedad”, located at 604 Highland Avenue (TSC No. 2016-19). (Engineering/Public Wo



**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.**

**ITEM TITLE:**

Resolution of the City Council of the City of National City authorizing the installation of two, 2-hour time restricted parking spaces on E. 6th Street adjacent to "Monte de Piedad", located at 604 Highland Avenue (TSC No. 2016-19).

**PREPARED BY:** Luca Zappiello, Civil Engineering Tech

**PHONE:** 619-336-4360

**DEPARTMENT:** Engineering/Public Works

**APPROVED BY:**

**EXPLANATION:**

See attached.



**FINANCIAL STATEMENT:**

**ACCOUNT NO.**

N/A

**APPROVED:** \_\_\_\_\_ **Finance**

**APPROVED:** \_\_\_\_\_ **MIS**

**ENVIRONMENTAL REVIEW:**

N/A

**ORDINANCE:** INTRODUCTION: ☐ FINAL ADOPTION: ☐

**STAFF RECOMMENDATION:**

Adopt Resolution authorizing the installation of two, 2-hour time restricted parking spaces on E. 6th Street adjacent to "Monte de Piedad", located at 604 Highland Avenue.

**BOARD / COMMISSION RECOMMENDATION:**

At their meeting on November 16, 2016, the Traffic Safety Committee unanimously approved installation of two, 2-hour time restricted parking spaces on E. 6th Street adjacent to "Monte de Piedad", located at 604 Highland Avenue.

**ATTACHMENTS:**

1. Explanation w/ Location Map
2. Staff Report to the Traffic Safety Committee on November 16, 2016 (TSC No. 2016-19)
3. Resolution

## **EXPLANATION**

Mr. Brian Daniels, branch manager of "Monte de Piedad", located at 604 Highland Avenue, requested installation of two, 30-minute time restricted parking spaces on E. 6th Street adjacent to his business in order to increase parking turnover for customers. Mr. Daniels stated that potential customers are unable to find parking on Highland Avenue and E. 6th Street, which impacts his business.

Staff visited the site and verified that "Monte de Piedad" is located on the southwest corner of Highland Avenue and E. 6th Street. The business has a parking lot with six parking spaces, one of which is a handicap parking space. It shall be noted that the City recently completed construction of an enhanced crosswalk with corner bulbouts at the intersection of Highland Avenue and E. 6th Street, which resulted in the loss of one parking space on Highland Avenue in front of "Monte de Piedad".

Staff measured the amount of curbside parking available on the south side of E. 6th Street adjacent to "Monte de Piedad." There is approximately 36 feet of unrestricted curbside parking available, which provides parking for two vehicles. Given the fact that the area of E. 6th Street between "G" Avenue and Highland Avenue is primarily residential and public parking is heavily utilized, staff deferred to the Traffic Safety Committee as to whether or not installation of time-restricted parking was appropriate.

This item was presented to the Traffic Safety Committee on November 16, 2016. Letters were sent to area businesses and residents inviting them to attend the meeting. A representative from "Monte de Piedad" was in attendance and spoke in support of the 30-minute time restricted parking. There were no other members of the community present to speak on the item.

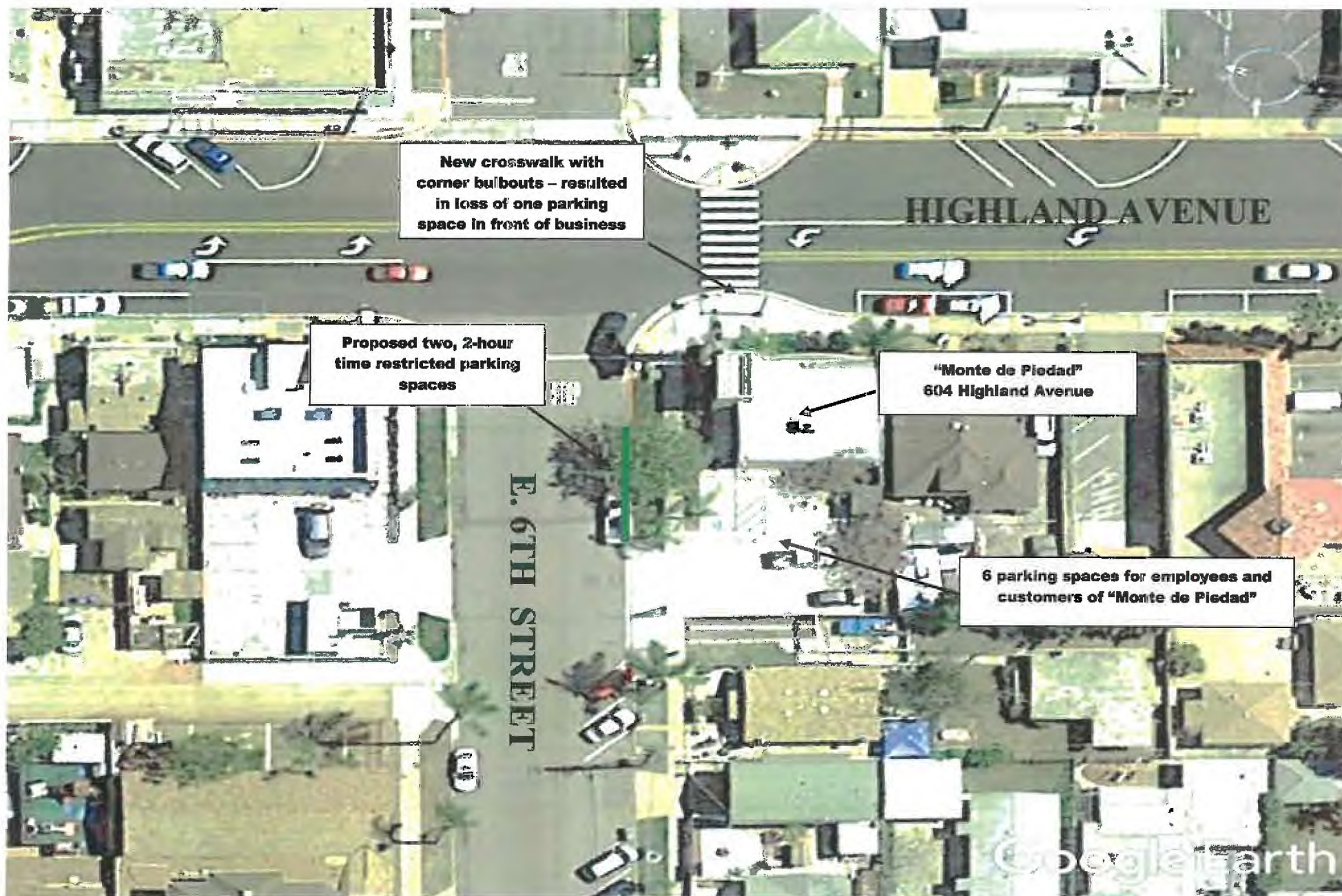
One of the Committee members suggested 2-hour time restricted parking rather than 30-minute time restricted parking to be more sensitive to nearby residents. The representative from "Monte de Piedad" indicated he would support the 2-hour time restriction.

The Traffic Safety Committee voted unanimously to approve installation of two, 2-hour time restricted parking spaces on E. 6th Street adjacent to "Monte de Piedad", located at 604 Highland Avenue.

If approved by City Council, all work will be performed by City Public Works.



## Location Map with Recommended Enhancements (TSC Item: 2016-19)



**NATIONAL CITY TRAFFIC SAFETY COMMITTEE  
AGENDA REPORT FOR NOVEMBER 16, 2016**

**ITEM NO. 2016-19**

**ITEM TITLE:** REQUEST FOR THE INSTALLATION OF TWO (2) "30-MINUTE PARKING" ZONES LOCATED ON E. 6<sup>TH</sup> STREET ADJACENT TO THE BUSINESS LOCATED AT 604 HIGHLAND AVENUE (BY B. DANIELS)

**PREPARED BY:** Luca Zappiello, Civil Engineering Technician  
Engineering & Public Works Department

**DISCUSSION:**

Mr. Brian Daniels, branch manager of "Monte de Piedad", located at 604 Highland Avenue, has requested time restricted parking on 6<sup>th</sup> Street adjacent to his business in order to increase parking turnover for customers.

Mr. Daniels stated that the customers are unable to find parking on 6<sup>th</sup> Street and drive out of the area in order to find available parking spaces. Furthermore, Mr. Daniels stated that customers who visit the competitor business located across the street frequently occupy these parking spaces.

Staff visited the site and verified that "Monte de Piedad" is located on the corner between E. 6<sup>th</sup> Street and Highland Avenue. The business has a customer parking lot with six (6) private parking spaces, including one handicap parking space. Staff verified that the area of E. 6<sup>th</sup> Street between "G" Avenue and Highland Avenue is primarily residential and public parking is heavily utilized. In the last year, a public improvement was completed on Highland Ave that created a new crosswalk extension by removing one parking space on Highland Avenue, in front of "Monte de Piedad".

Staff measured the amount of curbside parking available on the south side of 6<sup>th</sup> Street between the red curb and the entrance of the driveway. There is approximately 36 feet of unrestricted curbside parking available, which provides parking for approximately two (2) vehicles.

Staff has sent notices to property owners in the nearby area of the intersection, encouraging them to contact staff and/or attend the Traffic Safety Committee Meeting.

**STAFF RECOMMENDATION:**

Staff defer from the Traffic Safety Committee for the recommendation to install of two (2) "30-minute parking" zones located on E. 6<sup>th</sup> street adjacent to the business located at 604 Highland Avenue.

**EXHIBITS:**

1. Correspondence
2. Location Map
3. Photos

2016-19





**Anzar Enterprises Inc.**

**International Trading Co.**

322 E. San Ysidro Blvd. #2 San Ysidro, CA 92173

Mr. Fernandez,

I am writing in regards to our request for a time restricted parking zone between Highland Ave. and 6th St. There is a parking spot on the curb of 6th St facing north adjacent to our building, underneath a tree. The spot fits approximately two full sized vehicles for parking. It is a common occurrence that our customers suffer from unavailable parking and are forced to park around the residential area surrounding our building due to the parking spaces mentioned above being taken up by other businesses. We feel it is in the best interest of all businesses surrounding the area to turn the above mentioned curb into a time restricted area so customers from all over can conduct business easily in the area. We feel anywhere from a 15 min. parking zone to a 30 min. zone would be appropriate for the curb between the business hours of 9am - 6pm Monday thru Sunday or any other time restriction commonly approved by National City. We thank you in advance for your attention to this issue.

Sincerely,

**Brian Daniels**  
Branch Manager

Monte de Piedad  
604 Highland Ave.  
National City CA, 91950

ENG & PW DEPT.

CITY OF NATIONAL CITY

RCUD PM 1:46 JUN 1 '16

**Anzar Enterprises Inc.  
Dba Monte de Piedad.  
604 Highland Ave  
National City CA, 91950**

ENG & PW DEPT.

CITY OF NATIONAL CITY

RCUD PW 2:48 JUL 11 16

**Esteemed and Honorable Council Members of National City,**

**We kindly ask for approval of the requested 20-minute green-zone parking for the spaces adjacent to our business Monte de Piedad, located at 604 Highland Ave in National City.**

**We have discovered that these requested parking spaces are used every day by our competition located across the street. We have asked them nicely to liberate these parking spaces for our customers, and they have constantly refused. We would highly appreciate if these parking spaces could be used by our valued customers and not by our own competitors.**

**I would also like to take a moment and thank you all for the street renovations that have been completed on Highland Ave north of 8th St. The neighborhood looks beautiful, and the new lights look wonderful. Thank you. We're highly appreciative of these renovations.**

**Respectfully submitted,**

**Omar Anzar  
Owner, Monte de Piedad**



## Location Map with Recommended Enhancements (TSC Item: 2016-19)







**Location of request to install "30 minute" parking spaces located on E. 6<sup>th</sup> Street (looking Southwest)**



**Location of request to install "30 minute" parking spaces located on E. 6<sup>th</sup> Street (looking Southeast)**

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the installation of five, 2-hour time restricted parking spaces located on the south side of E. 8th Street in front of Harborview Condominiums (TSC No. 2016-18). (Engineering/Public W



**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.**

**ITEM TITLE:**

Resolution of the City Council of the City of National City authorizing the installation of five, 2-hour time restricted parking spaces located on the south side of E. 8th Street in front of Harborview Condominiums (TSC No. 2016-18).

**PREPARED BY:** Luca Zappiello, Civil Engineering Tech

**PHONE:** 619-336-4360

**DEPARTMENT:** Engineering/Public Works

**APPROVED BY:**

**EXPLANATION:**

See attached.



**FINANCIAL STATEMENT:**

**ACCOUNT NO.**

N/A

**APPROVED:** \_\_\_\_\_ **Finance**

**APPROVED:** \_\_\_\_\_ **MIS**

**ENVIRONMENTAL REVIEW:**

N/A

**ORDINANCE:** INTRODUCTION: ☐ **FINAL ADOPTION:** ☐

**STAFF RECOMMENDATION:**

Adopt Resolution authorizing the installation of five, 2-hour time restricted parking spaces located on the south side of E. 8th Street in front of Harborview Condominiums.

**BOARD / COMMISSION RECOMMENDATION:**

At their meeting on November 16, 2016, the Traffic Safety Committee unanimously approved the request to install five, 2-hour time restricted parking spaces located on the south side of E. 8th Street in front of Harborview Condominiums.

**ATTACHMENTS:**

1. Explanation w/ Location Map
2. Staff Report to the Traffic Safety Committee on November 16, 2016 (TSC No. 2016-18)
3. Resolution

## **EXPLANATION**

Mr. Julian Maravilla, leasing officer with Harborview Condominiums located at 819 "D" Avenue, has requested installation of five, 2-hour time restricted parking spaces located on the south side of E. 8th Street in front of Harborview Condominiums. According to Mr. Maravilla, the installation of 2-hour time restricted parking spaces should increase parking turnover and also provide customers enough time to visit the property.

Staff spoke with representatives from the Harborview leasing office. They stated that the parking spaces immediately in front of the leasing office are occupied by vehicles for several days at a time and present an inconvenience to current and future clients who visit the property and cannot find available on-street parking nearby.

Staff visited the site and verified that the on-street parking in the area is heavily utilized by residents and business customers. Staff measured the amount of curbside parking available on the south side of E. 8th Street in front of Harborview. There are five, unrestricted diagonal parking spaces at this location.

Staff also observed that New Image Dentistry is located adjacent to the Condominium leasing office and shares curbside parking for its patients with the leasing office. Staff spoke with a representative from the Dentistry office to determine if they would also be interested in converting the five unrestricted parking spaces to 2-hour time restricted parking. They agreed that installation of 2-hour time restricted parking would benefit their business as they stated that vehicles often park in these spaces for several days and patients have to search for other parking in the area.

At their meeting on November 16, 2016, the Traffic Safety Committee unanimously approved the request to install five, 2-hour time restricted parking spaces located on the south side of E. 8th Street in front of Harborview Condominiums.

If approved by City Council, all work will be performed by City Public Works.



## Location Map with Recommended Enhancements (TSC Item: 2016-18)





**NATIONAL CITY TRAFFIC SAFETY COMMITTEE  
AGENDA REPORT FOR NOVEMBER 16, 2016**

**ITEM NO. 2016-18**

**ITEM TITLE:** REQUEST FOR THE INSTALLATION OF FIVE (5) "2-HOUR PARKING" ZONES LOCATED ON THE SOUTH SIDE OF E. 8<sup>TH</sup> STREET IN FRONT OF THE HARBORVIEW CONDOMINIUM (BY J. MARAVILLA)

**PREPARED BY:** Luca Zappiello, Civil Engineering Technician  
Engineering & Public Works Department

**DISCUSSION:**

Mr. Julian Maravilla, from the "Harborview Condominium" (Condominium) located at 819 D Avenue National City, has requested the installation of five (5) "2-Hour Parking" zones on the south side of E. 8<sup>th</sup> Street in front of the Condominium.

Staff spoke with representatives from the Condominium leasing office who state that parking spaces immediately in front of the leasing office are occupied by vehicles for several days at a time and present an inconvenience to current and future clients who visit the property and cannot find available parking spots nearby. According to Mr. Maravilla, the installation of 2-Hour Parking spaces in front of the leasing office should increase parking turnover frequency and also provide potential clients enough time visit the property.

Staff visited the site and verified that the parking spaces in the area are heavily utilized by resident and business customers. Staff measured the amount of curbside parking available on the south side of E. 8<sup>th</sup> Street in front of the Condominium. There are approximately 68 feet of diagonal parking available for five (5) vehicles.

Staff also observed that "New Image Dentistry" (Dentistry) is located adjacent to the Condominium leasing office and shares curbside parking for its patients with the leasing office. Staff spoke with a representative from the Dentistry office to determine if they would also be interested in converting the five (5) parking spaces in front of the Condominium to 2-Hour parking spaces. They agreed to the proposed installation of 2-Hour parking spaces and stated that vehicles often park in those spaces for several days and patients have to search for parking in the area.

Staff defer from the Traffic Safety Committee for the recommendation to install 68 feet of diagonal parking spaces (5 parking spaces) 2-Hour parking spaces in front the Condominium leasing office and Dentistry office.

**STAFF RECOMMENDATION:**

Staff defer from the Traffic Safety Committee for the recommendation to install 68 feet of diagonal parking spaces (5 parking spaces) 2-Hour parking spaces in front the Condominium leasing office and Dentistry office.

**EXHIBITS:**

1. Public Request Form
2. Location Map
3. Photos

2016-18



ENR&PM DEPT

CITY OF NATIONAL CITY

WED PM 6:01 OCT 5/16

## PUBLIC REQUEST FORM

### Contact Information

Name:	Harborview Luxury Rentals / Julian Maravilla		
Address:	Not provided		
Phone:	Not provided	Email:	Not provided

### Request Information

Location:	8th Street between "D" and "E" Ave.		
Request:	Request to intstall 2 Hour Parking Signs along 8th St. Between "D" and "E" Avenue		
<hr/>			
<hr/>			
<hr/>			
<hr/>			
<hr/>			
Attachments:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Description:	Email

### Internal Use Only:

Request Received By:	Tirza		Date:	10/6/2016	
Received via:	<input type="checkbox"/> Counter/In-Person	<input type="checkbox"/> Telephone	<input checked="" type="checkbox"/> Email	<input type="checkbox"/> Fax	<input type="checkbox"/> Referral: Lauren Maxilom
Assigned To:	Steve Manganiello				
Notes:	<hr/>				



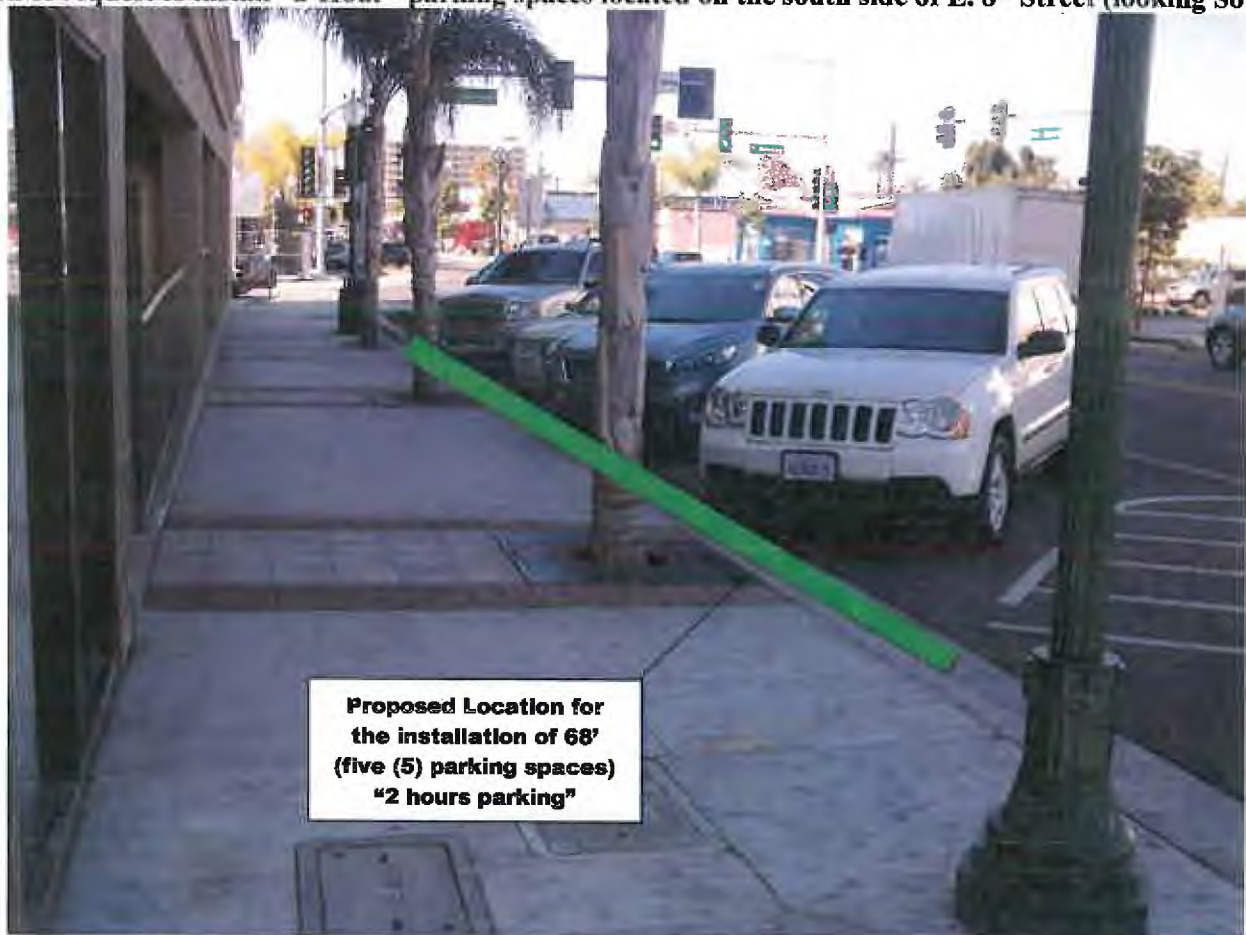
## Location Map with Recommended Enhancements (TSC Item: 2016-18)







Location of request to install "2-Hour" parking spaces located on the south side of E. 8<sup>th</sup> Street (looking Southeast)



Location of request to install "2-Hour" parking spaces located on the south side of E. 8<sup>th</sup> Street (looking Northwest)

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing installation of approximately 80 feet of red curb No Parking on the south side of E. 8th Street, west of N Avenue, to enhance visibility and access from N Avenue onto E. 8th Street (T



**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.**

**ITEM TITLE:**

Resolution of the City Council of the City of National City authorizing installation of approximately 80 feet of red curb "No Parking" on the south side of E. 8th Street, west of "N" Avenue, to enhance visibility and access from "N" Avenue onto E. 8th Street (TSC No. 2016-20).

**PREPARED BY:** Luca Zappiello, Civil Engineering Tech

**PHONE:** 619-336-4360

**DEPARTMENT:** Engineering/Public Works

**APPROVED BY:**

**EXPLANATION:**

See attached.



**FINANCIAL STATEMENT:**

**ACCOUNT NO.**

N/A

**APPROVED:** \_\_\_\_\_ **Finance**

**APPROVED:** \_\_\_\_\_ **MIS**

**ENVIRONMENTAL REVIEW:**

N/A

**ORDINANCE:** **INTRODUCTION:** ☐ **FINAL ADOPTION:** ☐

**STAFF RECOMMENDATION:**

Adopt Resolution authorizing installation of approximately 80 feet of red curb "No Parking" on the south side of E. 8th Street, west of "N" Avenue, to enhance visibility and access from "N" Avenue onto E. 8th Street.

**BOARD / COMMISSION RECOMMENDATION:**

At their meeting on November 16, 2016, the Traffic Safety Committee unanimously approved the staff recommendation to install approximately 80 feet of red curb "No Parking" on the south side of E. 8th Street, west of "N" Avenue.

**ATTACHMENTS:**

1. Explanation w/ Location Map
2. Staff Report to the Traffic Safety Committee on November 16, 2016 (TSC No. 2016-20)
3. Resolution

## **EXPLANATION**

Mr. Arturo Acevedo, National City resident, has requested red curb "No Parking" on the south side of E. 8th Street, west of "N" Avenue, to enhance visibility and access from "N" Avenue onto E. 8th Street. He stated that it's difficult to exit "N" Avenue onto E. 8th Street when vehicle park too close to the corner.

Staff performed a site evaluation. The posted speed limit along this segment of E. 8th Street is 35 mph with an average daily traffic (ADT) volume of approximately 15,000 vehicles per day. Staff measured 78 feet of unrestricted curbside parking along the south side of E. 8th Street, west of "N" Avenue, which accommodates up to four vehicles. This location is adjacent to a residence located at 1340 E. 8th Street. Staff confirmed that this residence has a single-car garage with access off of "N" Avenue (see attached location map). Parking is heavy utilized in this area. Staff reviewed the accident history at this intersection and confirmed that there was one reported accident within the past four years.

This item was presented to the Traffic Safety Committee on November 16, 2016. Letters were sent to area residents inviting them to attend the meeting. A representative of Brick Row Property Management was in attendance and spoke in support of the red curb "No Parking". Brick Row Property Management manages the residences located on the east side of "N" Avenue, between E. 8<sup>th</sup> Street and E. 9<sup>th</sup> Street. There were no other members of the community present to speak on the item.

The Traffic Safety Committee unanimously approved the staff recommendation to install approximately 80 feet of red curb "No Parking" on the south side of E. 8th Street, west of "N" Avenue, to enhance visibility and access from "N" Avenue onto E. 8th Street.

If approved by City Council, all work will be performed by City Public Works.



## Location Map with Recommended Enhancements (TSC Item: 2016-20)





**NATIONAL CITY TRAFFIC SAFETY COMMITTEE  
AGENDA REPORT FOR NOVEMBER 16, 2016**

**ITEM NO. 2016-20**

**ITEM TITLE:** **REQUEST TO INSTALL 78 FEET OF RED CURB "NO PARKING" ON E. 8TH STREET, ADJACENT TO THE SIDE OF THE CORNER LOT AT 1340 E. 8TH STREET TO ENHANCE VISIBILITY AND ACCESS FROM "N" AVENUE ONTO E. 8TH STREET (BY A. ACEVEDO)**

**PREPARED BY:** Luca Zappiello, Civil Engineering Technician  
Engineering & Public Works Department

**DISCUSSION:**

Mr. Arturo Acevedo has requested red curb "No Parking" on E. 8<sup>th</sup> Street adjacent to the side of the corner lot at 1340 E. 8<sup>th</sup> Street in order to enhance line-of-sight and safety.

Staff performed a site evaluation. The posted speed limit is 35 mph and the portion of E. 8<sup>th</sup> Street has an average daily traffic (ADT) count of 15,000 vpd (vehicles per day). There are approximately 78 feet of unrestricted parking for four (4) standard-sized vehicles on the south side of E. 8<sup>th</sup> Street adjacent the house at 1340 E. 8<sup>th</sup> Street. The house adjacent to the side of the corner lot at 1340 E. 8<sup>th</sup> street has a garage located on "N" Avenue (see the location map). Parking is heavy utilized in this area and there are not a lot of open parking options available for the residence.

When the vehicles on "N" Avenue are egressing onto E. 8<sup>th</sup> Street, there is insufficient visibility of oncoming westbound traffic for vehicles to turn safely onto E. 8<sup>th</sup> street. Safety concerns arise when vehicles are parked within 78 feet of the intersection. Staff recommends to painting 78 feet of red curb for "No Parking" to enhance safety and as a preventive measure. However, this adjustment of the street layout would result in the loss of four (4) parking spaces in front of the house at 1340 E. 8<sup>th</sup> Street.

Staff has also reviewed the historical collision history and verified that there has been one (1) collision.

Staff has sent notices to property owners in the nearby area of the intersection, encouraging them to contact staff and/or attend the Traffic Safety Committee Meeting.

**STAFF RECOMMENDATION:**

Staff recommends to install 78 feet of red curb "No Parking" on E. 8<sup>th</sup> Street, adjacent to the side of the corner lot at 1340 E. 8<sup>th</sup> Street to enhance visibility and access from "N" Avenue onto E. 8<sup>th</sup> Street

**EXHIBITS:**

1. Request
2. Location Map
3. Photos

2016-20

Arturo Acevedo

- Requesting Red curb at South West corner of E. 8th street at "N" AVE due to line of sight limitations.

Received August 16, 2016 via voicemail.

- November



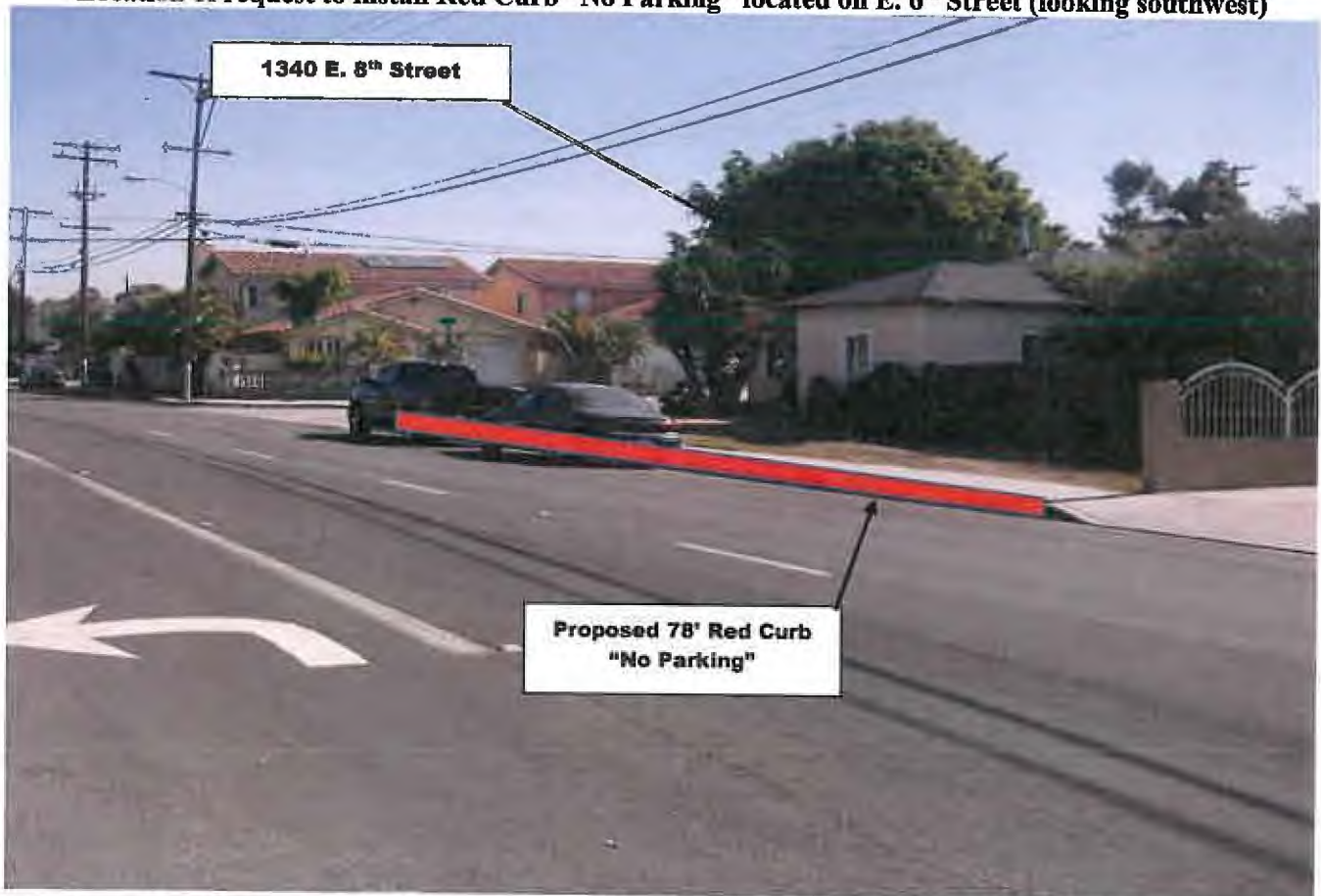
## Location Map with Recommended Enhancements (TSC Item: 2016-20)







**Location of request to install Red Curb "No Parking" located on E. 6<sup>th</sup> Street (looking southwest)**



**Location of request to install Red Curb "No Parking" located on E. 6<sup>th</sup> Street (looking southeast)**



The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing installation of 40 feet of red curb “No Parking” on the north side of E. 4th Street, east of “B” Avenue, and 40 feet of red curb “No Parking” on the south side of E. 4th Street, west

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.**

**ITEM TITLE:**

Resolution of the City Council of the City of National City authorizing installation of 40 feet of red curb "No Parking" on the north side of E. 4th Street, east of "B" Avenue, and 40 feet of red curb "No Parking" on the south side of E. 4th Street, west of "B" Avenue, to enhance visibility and access from "B" Avenue onto the E. 4th Street (TSC No. 2016-21).

**PREPARED BY:** Luca Zappiello, Civil Engineering Tech

**DEPARTMENT:** Engineering/Public Works

**PHONE:** 619-336-4360

**APPROVED BY:** \_\_\_\_\_

**EXPLANATION:**

See attached.



**FINANCIAL STATEMENT:**

**ACCOUNT NO.**

N/A

**APPROVED:** \_\_\_\_\_ **Finance**

**APPROVED:** \_\_\_\_\_ **MIS**

**ENVIRONMENTAL REVIEW:**

N/A

**ORDINANCE:** INTRODUCTION: ☐ **FINAL ADOPTION:** ☐

**STAFF RECOMMENDATION:**

Adopt Resolution authorizing installation of red curb "No Parking" on E. 4th Street at the intersection with "B" Avenue to enhance visibility and access from "B" Avenue onto the E. 4th Street.

**BOARD / COMMISSION RECOMMENDATION:**

At their meeting on November 16, 2016, the Traffic Safety Committee unanimously approved the staff recommendation to install red curb "No Parking" on E. 4th Street at the intersection with "B" Avenue.

**ATTACHMENTS:**

1. Explanation w/ Location Map
2. Staff Report to the Traffic Safety Committee on November 16, 2016 (TSC No. 2016-21)
3. Resolution

## **EXPLANATION**

Area residents have requested installation of red curb "No Parking" on E. 4th Street at the intersection with "B" Avenue to enhance visibility and access from "B" Avenue onto the E. 4th Street. They expressed concerns about speeding on E. 4<sup>th</sup> Street and visibility issues at the intersection when vehicles park too close to the corner.

Staff performed a site evaluation. The posted speed limit along this segment of E. 4th Street is 35 mph with an average daily traffic (ADT) volume of approximately 4,000 vehicles per day. The intersection of E. 4<sup>th</sup> Street and "B" Avenue is stopped controlled for "B" Avenue only. Volumes are not high enough on "B" Avenue to warrant All-Way Stop Control at this intersection. Staff reviewed the accident history at this intersection and confirmed that there was one reported accident within the past four years. However, residents have indicated that there have been several accidents recently, which may not have been reported.

This item was presented to the Traffic Safety Committee on November 16, 2016. Letters were sent to area residents inviting them to attend the meeting. One area resident was in attendance and spoke in support of the red curb "No Parking". There were no other members of the community present to speak on the item.

Based on review of site conditions, traffic data and accident history, staff recommends installation of 40 feet of red curb "No Parking" on the north side of E. 4<sup>th</sup> Street, east of "B" Avenue, and 40 feet of red curb "No Parking" on the south side of E. 4<sup>th</sup> Street, west of "B" Avenue, to enhance visibility and access from "B" Avenue onto the E. 4th Street.

The Traffic Safety Committee unanimously approved the staff recommendation to install red curb "No Parking" on E. 4th Street at the intersection with "B" Avenue.

If approved by City Council, all work will be performed by City Public Works.



# Location Map with Recommended Enhancements (TSC Item: 2016-21)





**NATIONAL CITY TRAFFIC SAFETY COMMITTEE  
AGENDA REPORT FOR NOVEMBER 16, 2016**

**ITEM NO. 2016-21**

**ITEM TITLE:** REQUEST TO INSTALL TWO (2) 40 FEET OF RED CURB "NO PARKING" ON E. 4<sup>TH</sup> STREET; THE FIRST LOCATED TO THE SIDE OF THE CORNER LOT AT 213 E. 4<sup>TH</sup> STREET AND THE SECOND LOCATED TO THE SIDE OF THE CORNER LOT AT 406 "B" AVENUE TO ENHANCE VISIBILITY AND ACCESS FROM "B" AVENUE ONTO THE E. 4<sup>TH</sup> STREET (BY NEIGHBORHOOD RESIDENTS)

**PREPARED BY:** Luca Zappiello, Civil Engineering Technician  
Engineering & Public Works Department

**DISCUSSION:**

Residents of the area of E. 4<sup>th</sup> street between National City Boulevard and D Avenue have requested red curb "No Parking" to improve visibility and enhance safety for vehicles exiting from "B" Avenue onto E. 4<sup>th</sup> Street.

Staff performed a site evaluation. The posted speed limit is 35 mph. E. 4<sup>th</sup> Street does not have Stop sign at the intersection with "B" Avenue while "B" Avenue has a Stop sign.

Staff agrees that red curb "No Parking" would enhance safety and visibility at the intersection. When the vehicles on "B" Avenue are egressing onto E. 4<sup>th</sup> Street, there is insufficient visibility of oncoming westbound and eastbound traffic for vehicles to turn safely onto E. 4<sup>th</sup> Street. Safety concerns arise when vehicles are parked within 40 feet of the intersection. Staff recommends to install two (2) 40 feet of red curb "No Parking" on E. 4<sup>th</sup> street to enhance safety and as a preventative measure. The first red curb "No Parking" is on the north side of E. 4<sup>th</sup> Street adjacent to the side of the corner lot at 213 E. 4<sup>th</sup> Street. The second red curb "No Parking" is on the south side of E. 4<sup>th</sup> Street adjacent to the side of the corner lot at 406 "B" Avenue.

This adjustment of the street layout would result in the loss of four (4) standard-sized on-street parallel public parking spaces.

Staff has also reviewed the historical collision history and verified that there has been one (1) collision.

Staff has sent notices to property owners in the nearby area of the intersection, encouraging them to contact staff and/or attend the Traffic Safety Committee Meeting.

**STAFF RECOMMENDATION:**

Staff recommends to install two (2) 40 feet of red curb "No Parking" on E. 4<sup>th</sup> Street to enhance safety and as a preventative measure. The first 40 feet of red curb "No Parking" is located on the north side of E. 4<sup>th</sup> Street adjacent to the side of the corner lot at 213 E. 4<sup>th</sup> Street. The second 40 feet of red curb "No Parking" is located on the south side of E. 4<sup>th</sup> Street adjacent to the side of the corner lot at 406 "B" Avenue

**EXHIBITS:**

1. Location Map
2. Photos

2016-21



Location Map with Recommended Enhancements (TSC Item: 2016-21)







**Location of request to install Red Curb "No Parking" located on E. 4<sup>th</sup> Street (looking southwest)**



**Location of request to install Red Curb "No Parking" located on E. 6<sup>th</sup> Street (looking northeast)**



The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the acceptance of the lowest, responsive, responsible bid, for the purchase of (2) 2017 Nissan Altimas SR, for the Police Department from Mossy Nissan of National City, in the amount

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.** \_\_\_\_\_

**ITEM TITLE:**

Resolution of the City Council of the City of National City authorizing the acceptance of the lowest, responsive, responsible bid, for the purchase of (2) 2017 Nissan Altimas SR, for the Police Department from Mossy Nissan of National City, in the amount of \$51,603.06.

**PREPARED BY:** Debbie Lunt

**PHONE:** 336-4582

**DEPARTMENT:** Finance

**APPROVED BY:**

**EXPLANATION:**

Request for Bid #GS1617-1 was issued for the purchase of (2) 2017 Nissan Altimas SR, or equal, for the Police Department. Bids were mailed to fifteen (15) vendors, netting two (2) responses. Bids were opened and publicly read on November 15, 2016, with no vendors present for the opening.

The purpose of the vehicles are as follows:

(2) 2017 Nissan Altima SR (Police) - Investigations Vehicle

**FINANCIAL STATEMENT:**

**ACCOUNT NO.**

Funds are appropriated in account number 644-411-000-511-0000 - \$51,603.06

**APPROVED:**

Finance

**APPROVED:** \_\_\_\_\_

MIS

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, not subject to environmental review.

**ORDINANCE:** INTRODUCTION: ☐

FINAL ADOPTION: ☐

**STAFF RECOMMENDATION:**

Adopt the Resolution, accepting the bid and authorizing the purchase.

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

1. Resolution
2. Bid Abstract

<u>BIDDER:</u>	<u>SPEC #1</u> <u>ALTIMA'S</u>	<u>9%</u> <u>TAX</u>	<u>TIRE</u> <u>FEE</u>	<u>REBATE</u>	<u>SUB</u> <u>TOTAL</u>	<u>PYMT TERMS</u> <u>(BID-%)</u>	<u>TOTAL</u> <u>AWARD</u>	<u>NOTES</u>
Mossy Nissan National City National City, CA	\$56,520.00	\$5,086.80	\$17.50	(\$9,500.00)	\$52,124.30	(\$521.24) 1% Net 30	\$51,603.06	AWARD
Mossy Nissan Poway Poway, CA	\$53,222.00	\$4,789.98	\$17.50	(\$5,500.00)	\$52,529.48		\$52,529.48	Quoted 2016 Vehicle
Mossy Nissan El Cajon El Cajon, CA	No Response							
Buena Park Nissan Buena Park, CA	No Response							
Costa Mesa Nissan Costa Mesa, CA	No Response							
Imperio Nissan of San Juan Capistrano San Juan Capistrano, CA	No Response							
Imperio Nissan of Garden Grove Garden Grove, CA	No Response							
Imperio Nissan of Irvine Irvine, CA	No Response							
Mossy Nissan Escondido Escondido, CA	No Response							
Mossy Nissan Kearny Mesa San Diego, CA	No Response							
Mossy Nissan Oceanside Oceanside, CA	No Response							
Mossy Nissan Chula Vista Chula Vista, CA	No Response							
Pacific Nissan San Diego, CA	No Response							
Stadium Nissan Orange, CA	No Response							
Tustin Nissan Tustin, CA	No Response							

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the acceptance of the lowest, responsive, responsible bid, for the purchase of (1) 2017 Ford F250 SD Super Cab 148” XL, (1) 2017 Ford F250 SD Super Cab 164” XL with Service Body, and



**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.** |

**ITEM TITLE:**

Resolution of the City Council of the City of National City authorizing the acceptance of the lowest, responsive, responsible bid, for the purchase of (1) 2017 Ford F250 SD Super Cab 148" XL, (1) 2017 Ford F250 SD Super Cab 164" XL with Service Body, and (1) 2017 Ford F450 SD Super Cab 168" XL with Service Body for the Public Works Department from North County Ford of Vista, in the amount of \$131,687.60.

**PREPARED BY:** Debbie Lunt

**PHONE:** 336-4582

**DEPARTMENT:** Finance

**APPROVED BY:** 

**EXPLANATION:**

Request for Bid #GS1617-2 was issued for the purchase of one (1) 2017 Ford F250 SD Super Cab 148" XL, (1) 2017 Ford F250 SD Super Cab 164" XL with Service Body, and (1) 2017 Ford F450 SD Super Cab 168" with Service Body, or equal, for the Public Works Department. Bids were mailed to eighteen (18) vendors, advertised in local newspaper and posted on City's website, netting one (1) response. Bids were opened and publicly read on November 15, 2016, with no vendors present for the opening.

The purpose of the vehicle is as follows:

- (1) 2017 Ford F250 SD Super Cab 148 XL Truck (PW) – Streets
- (1) 2017 Ford F250 SD Super Cab 164 XL w/Service Body Truck (PW) – Facilities
- (1) 2017 Ford F450 SD Super Cab 168 XL w/Service Body Truck (PW) - Wastewater

**FINANCIAL STATEMENT:**

**APPROVED:**  Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ MIS

Funds are appropriated in account numbers: 644-416-221-511-0000 - \$33,597.39; 644-416-222-511-0000 - \$54,875.99; and 644-416-223-511-0000 - \$43,214.22 totaling \$131,687.60

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, not subject to environmental review.

**ORDINANCE:** INTRODUCTION: ☐

FINAL ADOPTION: ☐

**STAFF RECOMMENDATION:**

Adopt the Resolution, accepting the bid and authorizing the purchase.

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

1. Resolution
2. Bid Abstract

<b>BIDDER:</b>	<b>FORD F250</b>	<b>FORD F250 w/Svc Body</b>	<b>FORD F450 w/Svc Body</b>	<b>Sub Total</b>	<b>TAX</b>	<b>OTHER</b>	<b>TIRE</b>	<b>Total</b>	<b>PYMT TERMS</b>	<b>TOTAL</b>	<b>NOTES</b>
<b>North County Ford Vista, CA</b>	\$31,579.00	\$40,628.00	\$51,598.00	\$123,805.00	\$11,142.45	\$87	\$29.75	\$135,064.20	(\$3,376.61) 2.5% Net 10	<b>\$131,687.60</b>	<b>AWARD</b>
<b>Penske Ford La Mesa La Mesa, CA</b>	\$30,487.00	\$40,392.00	\$52,271.00	\$123,150.00	\$11,083.50	\$168	\$29.75	\$134,431.25	Net 30	\$134,431.25	
<b>David Wilson's Villa Ford Orange, CA</b>	No Response										
<b>El Cajon Ford El Cajon, CA</b>	No Response										
<b>Encinitas Ford Encinitas, CA</b>	No Response										
<b>Folsom Lake Ford Folsom, CA</b>	No Response										
<b>Ford of Escondido Escondido, CA</b>	No Response										
<b>Fuller Ford Chula Vista, CA</b>	No Response										
<b>Gosch Ford Temecula Temecula, CA</b>	No Response										
<b>Kearny Pearson Ford San Diego, CA</b>	No Response										
<b>Ken Grody Ford Carlsbad, CA</b>	No Response										
<b>Miramar Ford Truck Sales San Diego, CA</b>	No Response										
<b>Mossy Ford San Diego, CA</b>	No Response										
<b>Perry Ford of National City National City, CA</b>	No Response										
<b>Perry Ford Poway, CA</b>	No Response										
<b>Raceway Ford Riverside, CA</b>	No Response										
<b>Theo Robbins Ford Costa Mesa, CA</b>	No Response										
<b>Wondries Fleet Group Alhambra, CA</b>	No Response										

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the acceptance of the lowest, responsive, responsible bid, for the purchase of (1) 2016 Toyota Highlander XLE, for the Police Department from Toyota San Diego of San Diego, in the amo



**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.**

**ITEM TITLE:**

Resolution of the City Council of the City of National City authorizing the acceptance of the lowest, responsive, responsible bid, for the purchase of (1) 2016 Toyota Highlander XLE, for the Police Department from Toyota San Diego of San Diego, in the amount of \$38,563.45.

**PREPARED BY:** Debbie Lunt

**PHONE:** 336-4582

**DEPARTMENT:** Finance

**APPROVED BY:** 

**EXPLANATION:**

Request for Bid #GS1617-3 was issued for the purchase of one (1) 2016 Toyota Highlander XLE, or equal, for the Police Department. Bids were mailed to eleven (11) vendors, netting one (1) response. Bids were opened and publicly read on November 15, 2016, with no vendors present for the opening.

The purpose of the vehicles are as follows:

(1) 2016 Toyota Highlander (Police) – Investigations Vehicle

**FINANCIAL STATEMENT:**

**ACCOUNT NO.**

Funds are appropriated in account number 644-411-000-511-0000 - \$38,563.45

**APPROVED:** 

Finance

**APPROVED:** \_\_\_\_\_

MIS

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, not subject to environmental review.

**ORDINANCE: INTRODUCTION:** ☐

**FINAL ADOPTION:** ☐

**STAFF RECOMMENDATION:**

Adopt the Resolution, accepting the bid and authorizing the purchase.

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

1. Resolution
2. Bid Abstract



[illegible]

The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City authorizing the Mayor to execute an agreement with Financial Credit Network, Inc. for collection services for a three-year term with two additional one-year options. (Finance)

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.**

**ITEM TITLE:**

Resolution of the City Council of the City of National City authorizing the Mayor to execute an agreement with Financial Credit Network, Inc. for collection services for a three-year term with two additional one-year options.

**PREPARED BY:** Mark Roberts, Director of Finance

**PHONE:** 619-336-4265

**DEPARTMENT:** Finance

**APPROVED BY:** Mark Roberts

**EXPLANATION:**

See attached staff report.

**FINANCIAL STATEMENT:**

**ACCOUNT NO.**

NA

**APPROVED:** Mark Roberts

**Finance**

**APPROVED:** \_\_\_\_\_

**MIS**

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, not subject to environmental review.

**ORDINANCE:**    **INTRODUCTION:** ☐    **FINAL ADOPTION:** ☐

**STAFF RECOMMENDATION:**

Adopt the resolution, authorizing the Mayor to execute the agreement with Financial Credit Network, Inc. for collection services for a three-year term with two additional one-year options.

**BOARD / COMMISSION RECOMMENDATION:**

NA

**ATTACHMENTS:**

1. Staff Report
2. Financial Credit Network, Inc. Agreement
3. Resolution



## City Council Staff Report

December 6, 2016

### ITEM

Resolution of the City Council of the City of National City authorizing the Mayor to execute an agreement with Financial Credit Network, Inc. (“FCN”) for collection services for a three-year term with two additional one-year options.

### BACKGROUND

Historically, collection of delinquent indebtedness owed to the City has been conducted internally, i.e., by City staff. However, due to limited staff resources and the lack of specialized computer software for locating delinquent account holders, collection of delinquent indebtedness often is not pursued beyond the sending of delinquent letters, resulting in many revenues due the City going uncollected. In order to improve the collection rate of revenues due to the City, staff issued a request for proposals (“RfP”) for collection services seeking the services of a professional collection agency to which the City could forward its oldest outstanding delinquent accounts for collection. The RfP was issued on April 12, 2016.

### DELINQUENT ACCOUNTS OUTSTANDING

The table below lists the current numbers, average balances, and (overall) totals of delinquent indebtedness owed to the City by category.

Account Category	Delinquent Accounts	Average Account Balance	Total
Non-Sufficient Fund Checks	219	\$ 144	\$ 31,598
Admin Citations	91	331	30,146
False Alarms	19	1,458	27,704
Fire Inspection Fees	68	340	23,141
Permits	6	5,336	32,017
Miscellaneous Receivables	30	1,560	46,787
Library Fines	8,078	21	169,058
Library Damage Fees	34	24	3,235
Library Overdue Fees	2,912	4	12,811
Library Lost Materials	3,619	64	232,706
<b>Total</b>			<b>\$ 609,202</b>



Resolution of the City Council of the City of National City authorizing the Mayor to execute an agreement with Financial Credit Network, Inc. ("FCN") for collection services for a three-year term with two additional one-year options.  
December 6, 2016

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## **REQUEST FOR PROPOSALS PROCESS**

As noted above, an RfP for collection services was issued on April 12, 2016. The RfP was sent to several firms and was posted on the City's website and the California Society of Municipal Finance Officers (CSMFO) website. Responses to the RfP were due by 5:00 pm on May 3, 2016.

The City received two (2) proposals in response to the RfP. The firms submitting proposals, listed in alphabetical order, are:

Access Capital Services, Inc.  
Financial Credit Network, Inc.

Staff evaluated and ranked the proposals of both firms, based upon the following factors:

- relevant experience with similar programs;
- demonstrated knowledge of the work/services required;
- proposed methodology; and
- cost of services.

After reviewing and considering each proposal, staff selected FCN as the highest-ranking firm.

## **FINANCIAL CREDIT NETWORK**

Financial Credit Network, Inc., a California corporation, was founded in 1954 to service the collection needs of clients throughout the State of California. Since then, FCN has grown to serve more than 600 clients nationally, 63 of which are public sector clients in California.

## **RECOMMENDATION**

Staff recommends the City Council authorize the Mayor to execute the agreement with Financial Credit Network, Inc. for collection services for a three-year term with two additional one-year options.

## **FISCAL IMPACT**

FCN'S collection fees will be based upon the type of delinquent account and amount collected, in accordance with the following schedule:

<u>Account Type</u>	<u>Collection Fee</u>
Administrative citations	24%
Business licenses	24%
False alarm billing	24%
Property damage	24%
Returned checks	24%
Miscellaneous receivables	24%
Court action for primary placement	34%

Resolution of the City Council of the City of National City authorizing the Mayor to execute an agreement with Financial Credit Network, Inc. ("FCN") for collection services for a three-year term with two additional one-year options.

December 6, 2016

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Transfer to an out-of-area collection agency	34%
Franchise Tax Board finders' fee	8%
Other account types	same as above

The City shall not incur any costs for collection services. All monies due shall be deducted from collections by FCN; however, the City shall be invoiced for all fees deducted.

FCN's overall historical collection rate is 28%. Taking into account this success rate, FCN's fee schedule, and the current amounts and categories of delinquent indebtedness selected for referral, the estimated initial fiscal impact of the execution of this agreement will be (net) revenues of approximately \$100,000. The estimated annual impact will be approximately \$16,000.

## **ATTACHMENTS**

Attachment 1 – Financial Credit Network, Inc. Agreement

Attachment 2 – Resolution

**AGREEMENT  
BY AND BETWEEN  
THE CITY OF NATIONAL CITY  
AND  
FINANCIAL CREDIT NETWORK, INC.**

THIS AGREEMENT is entered into on this 6<sup>th</sup> day of December, 2016, by and between the CITY OF NATIONAL CITY, a municipal corporation (the "CITY"), and FINANCIAL CREDIT NETWORK, INC., (the "CONSULTANT"), a California corporation.

**R E C I T A L S**

WHEREAS, the CITY desires to employ a CONSULTANT to provide collection services for delinquent accounts receivable for the City.

WHEREAS, the CITY has determined that the CONSULTANT is qualified by experience and ability to perform the services desired by the CITY, and the CONSULTANT is willing to perform such services.

NOW, THEREFORE, THE PARTIES HERETO DO MUTUALLY AGREE AS FOLLOWS:

1. **ENGAGEMENT OF CONSULTANT.** The CITY agrees to engage the CONSULTANT, and the CONSULTANT agrees to perform the services set forth here in accordance with all terms and conditions contained herein.

The CONSULTANT represents that all services shall be performed directly by the CONSULTANT or under direct supervision of the CONSULTANT.

2. **EFFECTIVE DATE AND LENGTH OF AGREEMENT.** This Agreement will become effective on December 6, 2016. The duration of this Agreement is for the period of December 6, 2016 through June 30, 2019. This Agreement may be extended by mutual agreement upon the same terms and conditions for two (2) additional one (1) year terms.

3. **SCOPE OF SERVICES.** The CONSULTANT shall provide collection services for delinquent account receivables. The CONSULTANT will perform services as set forth in the attached Exhibit "A." The CONSULTANT shall not have full rights to accounts in that these accounts are due to the CITY. CONSULTANT shall be able to pursue collections, as permitted by applicable law, only on behalf of the CITY. CONSULTANT shall not have the authority to accept a compromise or settlement on any account without written consent of the Director of Finance, or designee. The CITY may establish parameters in which accounts may be settled by CONSULTANT on CITY's behalf.

The CONSULTANT shall be responsible for all research and reviews related to the work and shall not rely on personnel of the CITY for such services, except as authorized in advance by the CITY. The CONSULTANT shall appear at meetings as specified in Exhibit "A" to keep staff and City Council advised of the progress on the Project.

The CITY may unilaterally, or upon request from the CONSULTANT, from time to time reduce or increase the Scope of Services to be performed by the CONSULTANT under this Agreement. Upon doing so, the CITY and the CONSULTANT agree to meet in good faith and confer for the purpose of negotiating a corresponding reduction or increase in the compensation associated with said change in services.

4. **PROJECT COORDINATION AND SUPERVISION.** The Director of Finance is designated as the Project Coordinator for the CITY and will monitor the progress and execution of this Agreement. The CONSULTANT shall assign a single Project Director to provide supervision and have overall responsibility for the progress and execution of this Agreement for the CONSULTANT. Kris Davisson is hereby designated as the Project Director for the CONSULTANT. The City reserves the right to perform periodic audits to ensure all amounts collected are accurately reported and remitted. The Director of Finance, or designee, shall be allowed access to CONSULTANT's debtor account information for the purpose of generating recovery analysis reports or auditing files at any time.

5. **COMPENSATION AND PAYMENT.** The compensation for the CONSULTANT is contingent upon collection of monies by the CONSULTANT, as permitted by law, and shall be based on charges covering actual work performed in accordance with the fee rates in the attached Exhibit "B." All monies due to the CONSULTANT shall be deducted from collections received by the CONSULTANT; and the CONSULTANT shall submit a monthly invoice to the City documenting amounts collected and fees deducted on all accounts.

The CONSULTANT shall maintain all books, documents, papers, employee time sheets, accounting records, and other evidence pertaining to costs incurred, and shall make such materials available at its office at all reasonable times during the term of this Agreement and for three (3) years from the date of final payment under this Agreement, for inspection by the CITY, and for furnishing of copies to the CITY, if requested.

6. **ACCEPTABILITY OF WORK.** The City shall decide any and all questions which may arise as to the quality or acceptability of the services performed and the manner of performance, the acceptable completion of this Agreement, and the amount of compensation due. In the event the CONSULTANT and the City cannot agree to the quality or acceptability of the work, the manner of performance and/or the compensation payable to the CONSULTANT in this Agreement, the City or the CONSULTANT shall give to the other written notice. Within ten (10) business days, the CONSULTANT and the City shall each prepare a report which supports their position and file the same with the other party. The City shall, with reasonable diligence, determine the quality or acceptability of the work, the manner of performance, and/or the compensation payable to the CONSULTANT.

7. **DISPOSITION AND OWNERSHIP OF DOCUMENTS.** The Memoranda, Reports, Maps, Drawings, Plans, Specifications, and other documents prepared by the CONSULTANT for this Project, whether paper or electronic, shall become the property of the CITY for use with respect to this Project, and shall be turned over to the CITY upon completion of the Project, or any phase thereof, as contemplated by this Agreement.



Contemporaneously with the transfer of documents, the CONSULTANT hereby assigns to the CITY, and CONSULTANT thereby expressly waives and disclaims any copyright in, and the right to reproduce, all written material, drawings, plans, specifications, or other work prepared under this Agreement, except upon the CITY'S prior authorization regarding reproduction, which authorization shall not be unreasonably withheld. The CONSULTANT shall, upon request of the CITY, execute any further document(s) necessary to further effectuate this waiver and disclaimer.

The CONSULTANT agrees that the CITY may use, reuse, alter, reproduce, modify, assign, transfer, or in any other way, medium, or method utilize the CONSULTANT'S written work product for the CITY'S purposes, and the CONSULTANT expressly waives and disclaims any residual rights granted to it by Civil Code Sections 980 through 989 relating to intellectual property and artistic works.

Any modification or reuse by the CITY of documents, drawings, or specifications prepared by the CONSULTANT shall relieve the CONSULTANT from liability under Section 14, but only with respect to the effect of the modification or reuse by the CITY, or for any liability to the CITY should the documents be used by the CITY for some project other than what was expressly agreed upon within the Scope of this project, unless otherwise mutually agreed.

8. **INDEPENDENT CONTRACTOR.** Both parties hereto in the performance of this Agreement will be acting in an independent capacity and not as agents, employees, partners, or joint venturers with one another. Neither the CONSULTANT nor the CONSULTANT'S employees are employees of the CITY, and are not entitled to any of the rights, benefits, or privileges of the CITY'S employees, including but not limited to retirement, medical, unemployment, or workers' compensation insurance.

This Agreement contemplates the personal services of the CONSULTANT and the CONSULTANT'S employees, and it is recognized by the parties that a substantial inducement to the CITY for entering into this Agreement was, and is, the professional reputation and competence of the CONSULTANT and its employees. Neither this Agreement nor any interest herein may be assigned by the CONSULTANT without the prior written consent of the CITY. Nothing herein contained is intended to prevent the CONSULTANT from employing or hiring as many employees, or SUBCONSULTANTS, as the CONSULTANT may deem necessary for the proper and efficient performance of this Agreement. All agreements by CONSULTANT with its SUBCONSULTANT(S) shall require the SUBCONSULTANT(S) to adhere to the applicable terms of this Agreement.

9. **CONTROL.** Neither the CITY nor its officers, agents, or employees shall have any control over the conduct of the CONSULTANT or any of the CONSULTANT'S employees, except as herein set forth, and the CONSULTANT or the CONSULTANT'S agents, servants, or employees are not in any manner agents, servants, or employees of the CITY, it being understood that the CONSULTANT its agents, servants, and employees are as to the CITY wholly independent CONSULTANT, and that the CONSULTANT'S obligations to the CITY are solely such as are prescribed by this Agreement.

10. **COMPLIANCE WITH APPLICABLE LAW.** The CONSULTANT, in the performance of the services to be provided herein, shall comply with all applicable state and federal statutes and regulations, including, but not limited to, the provisions of the federal Fair Debt Collection Practices Act and California's Rosenthal Fair Debt Collection Practices Act, and all applicable ordinances, rules, and regulations of the City of National City, whether now in force or subsequently enacted. The CONSULTANT and each of its SUBCONSULTANT(S), shall obtain and maintain a current City of National City business license prior to and during performance of any work pursuant to this Agreement.

11. **LICENSES, PERMITS, ETC.** The CONSULTANT represents and covenants that it has all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession. The CONSULTANT represents and covenants that the CONSULTANT shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any license, permit, or approval which is legally required for the CONSULTANT to practice its profession.

12. **STANDARD OF CARE.**

A. The CONSULTANT, in performing any services under this Agreement, shall perform in a manner consistent with that level of care and skill ordinarily exercised by members of the CONSULTANT'S trade or profession currently practicing under similar conditions and in similar locations. The CONSULTANT shall take all special precautions necessary to protect the CONSULTANT'S employees and members of the public from risk of harm arising out of the nature of the work and/or the conditions of the work site.

B. Unless disclosed in writing prior to the date of this Agreement, the CONSULTANT warrants to the CITY that it is not now, nor has it for the five (5) years preceding, been debarred by a governmental agency or involved in debarment, arbitration or litigation proceedings concerning the CONSULTANT'S professional performance or the furnishing of materials or services relating thereto.

C. The CONSULTANT is responsible for identifying any unique products, treatments, processes or materials whose availability is critical to the success of the project the CONSULTANT has been retained to perform, within the time requirements of the CITY, or, when no time is specified, then within a commercially reasonable time. Accordingly, unless the CONSULTANT has notified the CITY otherwise, the CONSULTANT warrants that all products, materials, processes or treatments identified in the project documents prepared for the CITY are reasonably commercially available. Any failure by the CONSULTANT to use due diligence under this sub-paragraph will render the CONSULTANT liable to the CITY for any increased costs that result from the CITY'S later inability to obtain the specified items or any reasonable substitute within a price range that allows for project completion in the time frame specified or, when not specified, then within a commercially reasonable time.

13. **NON-DISCRIMINATION PROVISIONS.** The CONSULTANT shall not discriminate against any employee or applicant for employment because of age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. The CONSULTANT will take positive action to insure that applicants are employed without regard to their age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment

advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The CONSULTANT agrees to post in conspicuous places available to employees and applicants for employment any notices provided by the CITY setting forth the provisions of this non-discrimination clause.

14. **CONFIDENTIAL INFORMATION.** The CITY may from time to time communicate to the CONSULTANT certain confidential information to enable the CONSULTANT to effectively perform the services to be provided herein. The CONSULTANT shall treat all such information as confidential and shall not disclose any part thereof without the prior written consent of the CITY. The CONSULTANT shall limit the use and circulation of such information, even within its own organization, to the extent necessary to perform the services to be provided herein. The foregoing obligation of this Section 14, however, shall not apply to any part of the information that (i) has been disclosed in publicly available sources of information; (ii) is, through no fault of the CONSULTANT, hereafter disclosed in publicly available sources of information; (iii) is already in the possession of the CONSULTANT without any obligation of confidentiality; or (iv) has been or is hereafter rightfully disclosed to the CONSULTANT by a third party, but only to the extent that the use or disclosure thereof has been or is rightfully authorized by that third party.

The CONSULTANT shall not disclose any reports, recommendations, conclusions, or other results of the services or the existence of the subject matter of this Agreement without the prior written consent of the CITY. In its performance hereunder, the CONSULTANT shall comply with all legal obligations it may now or hereafter have respecting the information or other property of any other person, firm, or corporation.

CONSULTANT shall be liable to CITY for any damages caused by breach of this condition, pursuant to the provisions of Section 14.

15. **INDEMNIFICATION AND HOLD HARMLESS.** The CONSULTANT agrees to defend, indemnify and hold harmless the City of National City, its officers, officials, agents, employees, and volunteers against and from any and all liability, loss, damages to property, injuries to, or death of any person or persons, and all claims, demands, suits, actions, proceedings, reasonable attorneys' fees, and defense costs, of any kind or nature, including workers' compensation claims, of or by anyone whomsoever, resulting from or arising out of the CONSULTANT'S performance or other obligations under this Agreement; provided, however, that this indemnification and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of the City, its agents, officers, employees, or volunteers. CITY will cooperate reasonably in the defense of any action, and CONSULTANT shall employ competent counsel, reasonably acceptable to the City Attorney.

The indemnity, defense, and hold harmless obligations contained herein shall survive the termination of this Agreement for any alleged or actual omission, act, or negligence under this Agreement that occurred during the term of this Agreement.

16. **WORKERS' COMPENSATION.** The CONSULTANT shall comply with all of the provisions of the Workers' Compensation Insurance and Safety Acts of the State of California, the applicable provisions of Division 4 and 5 of the California Government Code and all amendments thereto; and all similar State or federal acts or laws applicable; and shall indemnify,



and hold harmless the CITY and its officers, employees, and volunteers from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description, including reasonable attorney's fees and defense costs presented, brought or recovered against the CITY or its officers, employees, or volunteers, for or on account of any liability under any of said acts which may be incurred by reason of any work to be performed by the CONSULTANT under this Agreement.

17. **INSURANCE.** The CONSULTANT, at its sole cost and expense, shall purchase and maintain, and shall require its SUBCONSULTANT(S), when applicable, to purchase and maintain throughout the term of this Agreement, the following checked insurance policies:

A. ☒ If checked, **Professional Liability** Insurance (errors and omissions) with minimum limits of \$1,000,000 per occurrence.

B. **Automobile Insurance** covering all bodily injury and property damage incurred during the performance of this Agreement, with a minimum coverage of \$1,000,000 combined single limit per accident. Such automobile insurance shall include owned, non-owned, and hired vehicles ("any auto"). The policy shall name the CITY and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided.

C. **Commercial General Liability Insurance**, with minimum limits of either \$2,000,000 per occurrence and \$4,000,000 aggregate, or \$1,000,000 per occurrence and \$2,000,000 aggregate with a \$2,000,000 umbrella policy, covering all bodily injury and property damage arising out of its operations, work, or performance under this Agreement. The policy shall name the CITY and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided. The general aggregate limit must apply solely to this "project" or "location." The "project" or "location" should be noted with specificity on an endorsement that shall be incorporated into the policy.

D. **Workers' Compensation Insurance** in an amount sufficient to meet statutory requirements covering all of CONSULTANT'S employees and employers' liability insurance with limits of at least \$1,000,000 per accident. In addition, the policy shall be endorsed with a waiver of subrogation in favor of the City. Said endorsement shall be provided prior to commencement of work under this Agreement.

If CONSULTANT has no employees subject to the California Workers' Compensation and Labor laws, CONSULTANT shall execute a Declaration to that effect. Said Declaration shall be provided to CONSULTANT by CITY.

E. The aforesaid policies shall constitute primary insurance as to the CITY, its officers, officials, employees, and volunteers, so that any other policies held by the CITY shall not contribute to any loss under said insurance. Said policies shall provide for thirty (30) days prior written notice to the CITY of cancellation or material change.

F. If required insurance coverage is provided on a "claims made" rather than "occurrence" form, the CONSULTANT shall maintain such insurance coverage for three years after expiration of the term (and any extensions) of this Agreement. In addition, the "retro" date must be on or before the date of this Agreement.

G. Insurance shall be written with only California admitted companies that hold a current policy holder's alphabetic and financial size category rating of not less than A-VII according to the current Best's Key Rating Guide, or a company equal financial stability that is approved by the CITY'S Risk Manager. In the event coverage is provided by non-admitted



“surplus lines” carriers, they must be included on the most recent California List of Eligible Surplus Lines Insurers (LESLI list) and otherwise meet rating requirements.

H. This Agreement shall not take effect until certificate(s) or other sufficient proof that these insurance provisions have been complied with, filed with, and approved by the CITY’S Risk Manager. If the CONSULTANT does not keep all of such insurance policies in full force and effect at all times during the terms of this Agreement, the CITY may elect to treat the failure to maintain the requisite insurance as a breach of this Agreement and terminate the Agreement as provided herein.

I. All deductibles and self-insured retentions in excess of \$10,000 must be disclosed to and approved by the CITY.

18. **LEGAL FEES.** If any party brings a suit or action against the other party arising from any breach of any of the covenants or agreements or any inaccuracies in any of the representations and warranties on the part of the other party arising out of this Agreement, then in that event, the prevailing party in such action or dispute, whether by final judgment or out-of-court settlement, shall be entitled to have and recover of and from the other party all costs and expenses of suit, including attorneys’ fees.

For purposes of determining who is to be considered the prevailing party, it is stipulated that attorney’s fees incurred in the prosecution or defense of the action or suit shall not be considered in determining the amount of the judgment or award. Attorney’s fees to the prevailing party if other than the CITY shall, in addition, be limited to the amount of attorney’s fees incurred by the CITY in its prosecution or defense of the action, irrespective of the actual amount of attorney’s fees incurred by the prevailing party.

19. **MEDIATION/ARBITRATION.** If a dispute arises out of or relates to this Agreement, or the breach thereof, the parties agree first to try, in good faith, to settle the dispute by mediation in San Diego, California, in accordance with the Commercial Mediation Rules of the American Arbitration Association (the “AAA”) before resorting to arbitration. The costs of mediation shall be borne equally by the parties. Any controversy or claim arising out of, or relating to, this Agreement, or breach thereof, which is not resolved by mediation shall be settled by arbitration in San Diego, California, in accordance with the Commercial Arbitration Rules of the AAA then existing. Any award rendered shall be final and conclusive upon the parties, and a judgment thereon may be entered in any court having jurisdiction over the subject matter of the controversy. The expenses of the arbitration shall be borne equally by the parties to the arbitration, provided that each party shall pay for and bear the costs of its own experts’, evidence, and attorneys’ fees, except that the arbitrator may assess such expenses or any part thereof against a specified party as part of the arbitration award.

20. **TERMINATION.**

A. This Agreement may be terminated with or without cause by the CITY. Termination without cause shall be effective only upon 60-day’s written notice to the CONSULTANT. During said 60-day period the CONSULTANT shall perform all services in accordance with this Agreement.

B. This Agreement may also be terminated immediately by the CITY for cause in the event of a material breach of this Agreement, misrepresentation by the CONSULTANT in

connection with the formation of this Agreement or the performance of services, or the failure to perform services as directed by the CITY.

C. Termination with or without cause shall be effected by delivery of written Notice of Termination to the CONSULTANT as provided for herein.

D. In the event of termination, all finished or unfinished Memoranda Reports, Maps, Drawings, Plans, Specifications and other documents prepared by the CONSULTANT, whether paper or electronic, shall immediately become the property of and be delivered to the CITY, and the CONSULTANT shall be entitled to receive just and equitable compensation for any work satisfactorily completed on such documents and other materials up to the effective date of the Notice of Termination, not to exceed the amounts payable hereunder, and less any damages caused the CITY by the CONSULTANT'S breach, if any. Thereafter, ownership of said written material shall vest in the CITY all rights set forth in Section 7.

E. The CITY further reserves the right to immediately terminate this Agreement upon: (1) the filing of a petition in bankruptcy affecting the CONSULTANT; (2) a reorganization of the CONSULTANT for the benefit of creditors; or (3) a business reorganization, change in business name or change in business status of the CONSULTANT.

21. **NOTICES.** All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered; or sent by overnight mail (Federal Express or the like); or sent by registered or certified mail, postage prepaid, return receipt requested; or sent by ordinary mail, postage prepaid; or telegraphed or cabled; or delivered or sent by telex, telecopy, facsimile or fax; and shall be deemed received upon the earlier of (i) if personally delivered, the date of delivery to the address of the person to receive such notice, (ii) if sent by overnight mail, the business day following its deposit in such overnight mail facility, (iii) if mailed by registered, certified or ordinary mail, five (5) days (ten (10) days if the address is outside the State of California) after the date of deposit in a post office, mailbox, mail chute, or other like facility regularly maintained by the United States Postal Service, (iv) if given by telegraph or cable, when delivered to the telegraph company with charges prepaid, or (v) if given by telex, telecopy, facsimile or fax, when sent. Any notice, request, demand, direction or other communication delivered or sent as specified above shall be directed to the following persons:

To CITY:                      Director of Finance  
                                    City of National City  
                                    1243 National City Boulevard  
                                    National City, CA 91950-4397

To CONSULTANT:  
                                    Kris Davisson, Vice President  
                                    Financial Credit Network, Inc.  
                                    1300 West Main Street  
                                    Visalia, CA 93292

Notice of change of address shall be given by written notice in the manner specified in this Section. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice, demand, request, or communication sent. Any notice, request, demand, direction or other communication

sent by cable, telex, telecopy, facsimile or fax must be confirmed within forty-eight (48) hours by letter mailed or delivered as specified in this Section.

22. **CONFLICT OF INTEREST AND POLITICAL REFORM ACT**

**OBLIGATIONS.** During the term of this Agreement, the CONSULTANT shall not perform services of any kind for any person or entity whose interests conflict in any way with those of the City of National City. The CONSULTANT also agrees not to specify any product, treatment, process, or material for the project in which the CONSULTANT has a material financial interest, either direct or indirect, without first notifying the CITY of that fact. The CONSULTANT shall at all times comply with the terms of the Political Reform Act and the National City Conflict of Interest Code. The CONSULTANT shall immediately disqualify itself and shall not use its official position to influence in any way any matter coming before the CITY in which the CONSULTANT has a financial interest as defined in Government Code Section 87103. The CONSULTANT represents that it has no knowledge of any financial interests that would require it to disqualify itself from any matter on which it might perform services for the CITY.

☒ If checked, the CONSULTANT shall comply with all of the reporting requirements of the Political Reform Act and the National City Conflict of Interest Code. Specifically, the CONSULTANT shall file a Statement of Economic Interests with the City Clerk of the City of National City in a timely manner on forms which the CONSULTANT shall obtain from the City Clerk.

The CONSULTANT shall be strictly liable to the CITY for all damages, costs or expenses the CITY may suffer by virtue of any violation of this Paragraph 22 by the CONSULTANT.

23. **PREVAILING WAGES.** State prevailing wage rates may apply to work performed under this Agreement. State prevailing wages rates apply to all public works contracts as set forth in California Labor Code, including but not limited to, Sections 1720, 1720.2, 1720.3, 1720.4, and 1771. Consultant is solely responsible to determine if State prevailing wage rates apply and, if applicable, pay such rates in accordance with all laws, ordinances, rules, and regulations.

24. **MISCELLANEOUS PROVISIONS.**

A. *Computation of Time Periods.* If any date or time period provided for in this Agreement is or ends on a Saturday, Sunday or federal, state or legal holiday, then such date shall automatically be extended until 5:00 p.m. Pacific Time of the next day which is not a Saturday, Sunday or federal, state, or legal holiday.

B. *Counterparts.* This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument.

C. *Captions.* Any captions to, or headings of, the sections or subsections of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

D. *No Obligations to Third Parties.* Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, or obligate any of the parties hereto, to any person or entity other than the parties hereto.

E. *Exhibits and Schedules.* The Exhibits and Schedules attached hereto are hereby incorporated herein by this reference for all purposes. To the extent any exhibits or schedules or provisions thereof conflict or are inconsistent with the terms and conditions contained in this Agreement, the terms and conditions of this Agreement shall control.

F. *Amendment to this Agreement.* The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

G. *Waiver.* The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

H. *Applicable Law.* This Agreement shall be governed by and construed in accordance with the laws of the State of California.

I. *Audit.* If this Agreement exceeds ten-thousand dollars (\$10,000), the parties shall be subject to the examination and audit of the State Auditor for a period of three (3) years after final payment under the Agreement, per Government Code Section 8546.7.

J. *Entire Agreement.* This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between the parties as to the subject matter hereof. No subsequent agreement, representation, or promise made by either party hereto, or by or to an employee, officer, agent, or representative of any party hereto shall be of any effect unless it is in writing and executed by the party to be bound thereby.

K. *Successors and Assigns.* This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

L. *Subcontractors or Subconsultants.* The City is engaging the services of the CONSULTANT identified in this Agreement. The CONSULTANT shall not subcontract any portion of the work, unless such subcontracting was part of the original proposal or is allowed by the City in writing. In the event any portion of the work under this Agreement is subcontracted, the subconsultant(s) shall be required to comply with and agree to, for the benefit of and in favor of the City, both the insurance provisions in Section 17 and the indemnification and hold harmless provision of Section 15 of this Agreement.

M. *Construction.* The parties acknowledge and agree that (i) each party is of equal bargaining strength, (ii) each party has actively participated in the drafting, preparation and negotiation of this Agreement, (iii) each such party has consulted with or has had the opportunity to consult with its own, independent counsel and such other professional advisors as such party has deemed appropriate, relative to any and all matters contemplated under this Agreement, (iv) each party and such party's counsel and advisors have reviewed this Agreement, (v) each party has agreed to enter into this Agreement following such review and the rendering of such advice, and (vi) any rule or construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement, or any portions hereof, or any amendments hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

*[Signature Page to Follow]*



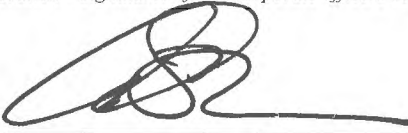
**CITY OF NATIONAL CITY**

By: \_\_\_\_\_  
Ron Morrison, Mayor

APPROVED AS TO FORM:

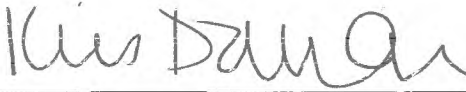
\_\_\_\_\_  
George H. Eiser, III  
Interim City Attorney

**FINANCIAL CREDIT NETWORK, INC.**  
(Corporation – signatures of two corporate officers required)

By:  \_\_\_\_\_  
(Name)

Alicia Sundstrom  
(Print)

President  
(Title)

By:  \_\_\_\_\_  
(Name)

Kris Dzwiszon  
(Print)

Vice President  
(Title)

**FINANCIAL CREDIT NETWORK, INC.**

**SCOPE OF SERVICES**

**A. General Services:** Financial Credit Network, Inc. ("FCN") shall provide collection services for unpaid and delinquent accounts receivable for the City of National City ("City") which includes:

1. administrative citations;
2. code enforcement citations;
3. business licenses;
4. false alarm billing;
5. property damage;
6. returned checks; and
7. miscellaneous receivables.

**B. Specific Services:** FCN shall perform the following specific services:

1. Accept automated or manual transfers of delinquent accounts information from the City or City-authorized vendor's database (during which times FCN will work, at no additional cost, with the City, and City software, to ensure accurate and timely transmission of data);
2. Perform a minimum of two written or telephone contacts for each account within sixty (60) days of receipt of delinquent account information from the City;
3. Conduct skip tracing on delinquent accounts using tools provided by FCN;
4. Accrue interest on outstanding balances at a rate established by the City as authorized by the National City Municipal Code or by resolution of the City Council of the City of National City;
5. Provide consumer with multiple payment options;
6. Remit monies due to the City at least monthly, providing a detailed accounting of collections less City-owed fees with each remittance;
7. Report, in accordance with all applicable federal and California laws, all uncollected accounts pursued for collection by FCN for not less than 60 days to the major credit bureaus, except for types of accounts excluded from reporting by the National City Director of Finance ("Director");
8. In accordance with the Fair Credit Reporting Act, remove account notifications from all affected bureaus at the request of the Director and provide a copy of the account notification removal letter or form submitted to each bureau to the Director;
9. Provide on-going training and education opportunities and provide updates to City staff on changes in state and federal laws related to credit and collections;

10. Meet at least annually with the Director and other City staff to review and discuss all services and collection results;
11. Provide recommendations on how the City can reduce future bad debt;
12. Maintain accurate records of all correspondence, accounting records, banking records, and other relative evidence for each assigned account for at least seven (7) years after termination of the collection action and make said records available to the City for review upon request by the Director of Finance, or designee.

**C. Additional Collection Requirements:**

1. The City reserves the right to withdraw a delinquent account from FCN at any time. In such cases, FCN shall cease all collection and/or legal activities related to the account. If an account is withdrawn prior to collection activity on the part of FCN, no fees shall be due.
2. The City requires FCN to exercise high ethical standards in its collection efforts. The FCN shall conduct its collection business in a professional manner and shall not use tactics which may be interpreted as harassment or as demeaning or that otherwise may reflect poorly on the City's image. The City prohibits any collection enforcement procedures not consistent with the City's requirements.
3. FCN shall make contacts with delinquent accountholders under FCN's name.
4. FCN shall instruct delinquent accountholders to submit payment to the collection agency. Any payments received by the City directly from accountholders will be forwarded to FCN for processing. FCN will be notified of any payment forwarded by the City. Funds received by FCN must be maintained in a trust fund until remitted to the City and the collection fee can be deducted at the time of remittance.

**D. Reporting Requirements: FCN shall provide the City with the following reports:**

1. Monthly status report detailing all its collection activities for the previous month that shall include detailed accounting information, including:
  - a. original placed value of debt;
  - b. current value of debt;
  - c. amount(s) and date(s) of all payment(s) received;
  - d. interest charged;
  - e. charges waived;
  - f. balance due;
2. Invoices detailing collections received for the previous month, less all fees deducted (as set forth in Exhibit B) shall be sent to the City on a monthly basis.

3. Period-to-date and fiscal year-to-date financial summary reports reflecting pertinent information, such as receipts, total accounts receivable, net accounts receivable, and collection percentage.
4. Annual report detailing the previous fiscal year's activities (July 1 through June 30), including detailed listings of the following:
  - a. all accounts by type;
  - b. all accounts closed in the past year by type;
  - c. all activity by account in past year by account type; and
  - d. summary of those reports mentioned in subsections 3(a)-3(c)
5. Ad hoc reports upon the City's request.
6. Detailed and summarized aging report, upon the City's request.

**E. Administrative Provisions:**

1. FCN shall guarantee the confidentiality, security, and safety of all files, documents, computer files, etc.
2. FCN shall not subcontract work covered by this Exhibit A, or the Agreement between the City and FCN, without the prior written consent of the City.



**FINANCIAL CREDIT NETWORK, INC.****RATES TO PERFORM COLLECTION  
SERVICES**

Fees for collections services for delinquent accounts receivable forwarded by the City of National City ("City") to Financial Credit Network, Inc. ("FCN") are contingent upon collection on said delinquent accounts receivable. Fees will be deducted from collections in accordance with the following schedule:

<u>Description</u>	<u>Contingency Fee</u>
Primary Placements for:	
1. Administrative citations	24%
2. Business licenses	24%
3. False alarm billing	24%
4. Property damage	24%
5. Returned checks	24%
6. Miscellaneous receivables	24%
Court action for primary placements for all account types (if required)	34%
Transfer of account to an out-of-area agency for collection (forwarding)	34%
Franchise Tax Board Intercept Program finder's fee	8%
Future Primary Placements not enumerated in 1-6 in this Exhibit B	24%
Future court action for Primary Placements not enumerated in 1-6 in this Exhibit B	34%

The City shall not incur any costs for collection services. All monies due to FCN shall be deducted from collections by the Consultant; however, the City shall be invoiced for all fees deducted on a monthly basis.

A detailed accounting of collections, less City-owed fees will accompany each remittance to the City.

Additional fees may not be added to the principal amount of any debt to the City without prior written approval from the City. Notwithstanding approval by the City, additions must be in accordance with all applicable federal and state laws.

The following page(s) contain the backup material for Agenda Item: Investment Report for the quarter ended September 30, 2016. (Finance)

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.** |

**ITEM TITLE:**

Investment Report for the quarter ended September 30, 2016.

**PREPARED BY:** Ronald Gutlay

**DEPARTMENT:** Finance

**PHONE:** 619-336-4346

**APPROVED BY:** 

**EXPLANATION:**

See attached staff report.

**FINANCIAL STATEMENT:**

**APPROVED:** 

Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_

MIS

See attached staff report.

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, not subject to environmental review.

**ORDINANCE:** INTRODUCTION: ☐

FINAL ADOPTION: ☐

**STAFF RECOMMENDATION:**

Accept and File the Investment Report for the Quarter ended September 30, 2016.

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

1. Staff Report
2. Investment Listings



## City Council Staff Report

December 6, 2016

### ITEM

Staff Report: Investment Report for the quarter ended September 30, 2016.

### BACKGROUND

The California Government Code (§ 53646(b)) requires that, when the treasurer or the chief fiscal officer of a local agency renders to the legislative body of the agency a quarterly report on the agency's investment portfolio, such report shall include the following information regarding all securities, investments, and moneys held by the local agency:

- type of investment;
- issuer (bank or institution);
- date of maturity;
- dollar amount invested; and
- current market valuation as of the date of the report.

In addition, the Government Code (§ 53646(b)(2)) requires that the report state the City's compliance with its investment policy and include a statement regarding the ability of the local agency to meet its pool's ability to meet its expenditure requirements Code (§ 53646(b)(3)).

### OVERVIEW OF CITY INVESTMENTS

The City's pooled investment portfolio balance as of September 30, 2016 is summarized below and compared to the balance as of September 30, 2015.

	9/30/2016	9/30/2015
<b>Book Value <sup>1</sup></b>	\$ 58,686,526	\$ 59,156,053
<b>Market Value <sup>2</sup></b>	\$ 58,910,780	\$ 59,139,295

(1) actual cost of investments

(2) amount at which the investments could be sold

The California Treasurer's Local Agency Investment Fund ("LAIF") and The County of San Diego Pooled Money Fund comprise 61.45% of the City of National City's total investment portfolio (52.82% and 8.63%, respectively). These are liquid investment pools that allow participants to earn market rate returns, while retaining access to funds within 24 to 48 hours of a withdrawal request with no penalty. The remainder of the City's portfolio is composed of investments that may be liquidated at any time. However, these investments likely do not



provide the short liquidity (i.e., quick access to funds) of the pooled money funds, and liquidation/withdrawal of these investments is at the risk of loss and/or penalty to the City.

Summaries of the City's investment portfolio are illustrated below.

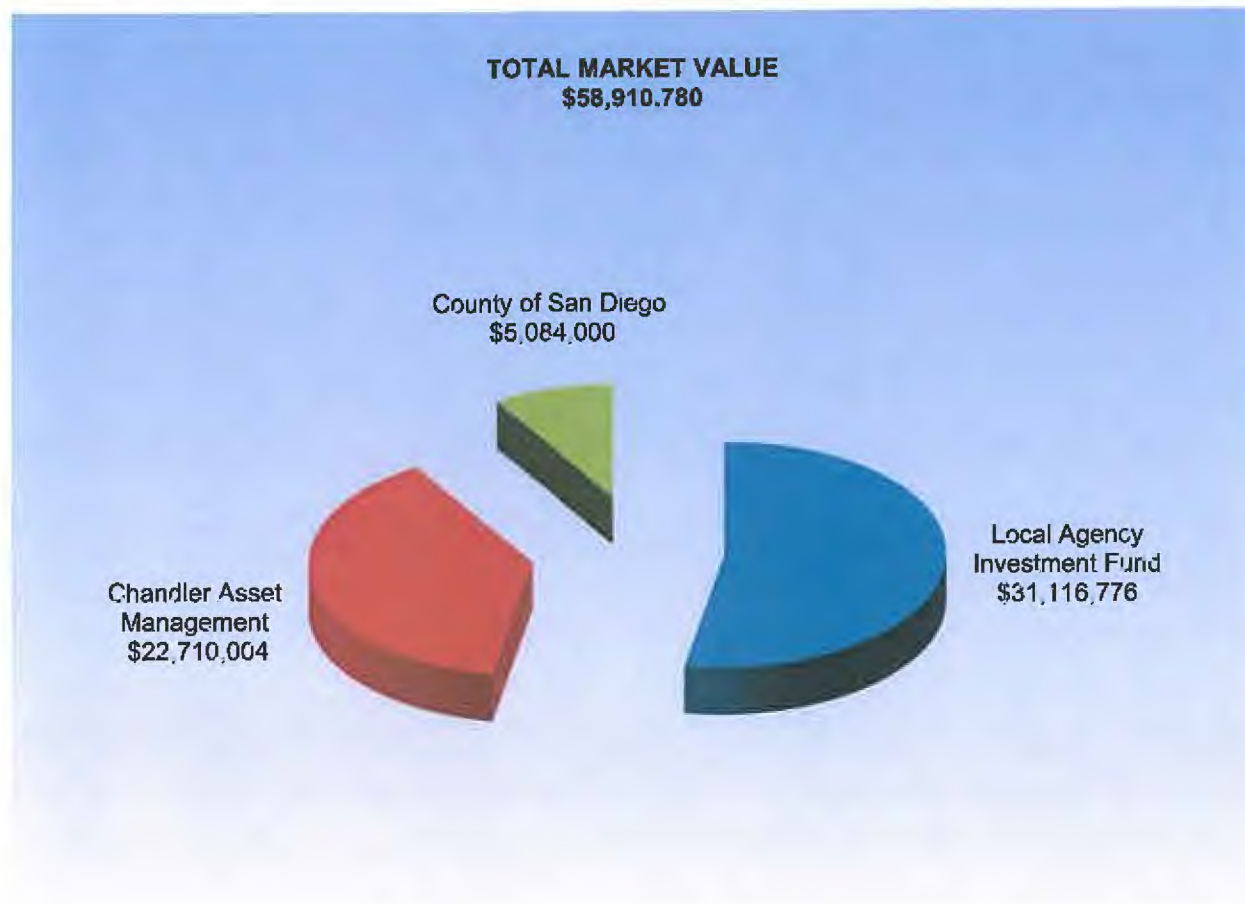
### INVESTMENT PORTFOLIO SUMMARY BY ISSUER/MANAGER

As of September 30, 2016

Issuer/Manager	Book Value	Total Market Value <sup>1</sup>	Market YTM	% of Portfolio
Local Agency Investment Fund	31,054,631	\$ 31,116,776 <sup>2</sup>	0.63%	52.82%
Chandler Asset Management	22,541,845	\$ 22,710,004	0.82%	38.55%
County of San Diego	5,090,050	\$ 5,084,000	0.98%	8.63%
<b>Totals for September 2016</b>	<b>58,686,526</b>	<b>58,910,780</b>		<b>100.00%</b>

1 includes accrued interest

2 calculated on 30/360 basis



**INVESTMENT PERFORMANCE BY ISSUER/MANAGER****For the Quarter Ended September 30, 2016**

Issuer/Manager	Total Market Value <sup>1</sup>			Period Return	Yield (Net) <sup>3</sup>
	6/30/16	9/30/16	Change		
Local Agency Investment Fund	\$ 36,627,341	\$ 31,116,776	\$ (5,510,565) <sup>2</sup>	0.15%	0.61%
Chandler Asset Management	22,716,895	22,710,004	\$ (6,891)	-0.02%	NA
County of San Diego	5,082,000	5,084,000	\$ 2,000	0.22%	0.88%
<b>Totals for September 30, 2016</b>	<b>\$ 64,426,236</b>	<b>\$ 58,910,780</b>	<b>\$ (5,515,456)</b>	<b>0.35%</b>	<b>1.49%</b>

<sup>1</sup> includes accrued interest<sup>2</sup> Withdrawals 9/16/16 \$1,800,000, 9/20/16 \$750,000, 8/9/16 \$1,000,000 & 8/25/16 \$2,000,000<sup>3</sup> Annualized**COMPLIANCE STATEMENT**

All of the City's investments are in compliance with the City's investment policy (City Council Policy No. 203) and the California Government Code (§ 53601 et seq).

**FINANCIAL STATEMENT**

Realized and unrealized gains/(losses) for the period, reflected below, were \$85,061. These changes include changes in security market values, gain/(loss) from the sale of assets, accrued interest, and reinvested interest/earnings.

Issuer/Manager	Gain/(Loss)
Chandler Asset Management	21,321
County of San Diego	11,098
LAIF	52,641
<b>Totals for September 30, 2016</b>	<b>\$ 85,060</b>

The difference between the changes reflected in the previous two tables is attributable to the purchase and sale of securities for which the first of the tables accounts but the second table typically does not (unless an investment is sold before maturity).

**STAFF CERTIFICATION**

Staff certifies that there are sufficient funds to meet the pool's expenditure requirements.

**RECOMMENDATIONS**

Accept and file the Investment Report for the quarter ended September 30, 2016.

Local Agency Investment Fund  
P.O. Box 942809  
Sacramento, CA 94209-0001  
(916) 653-3001

CITY OF NATIONAL CITY

FINANCE DIRECTOR  
1243 NATIONAL CITY BLVD  
NATIONAL CITY, CA 91950-4397

[www.treasurer.ca.gov/pmia-laif/laif.asp](http://www.treasurer.ca.gov/pmia-laif/laif.asp)

October 17, 2016

PMLA Average Monthly Yields

Account Number:  
98-37-576

Tran Type Definitions

September 2016 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
9/6/2016	9/6/2016	RW	1513620	JAVIER CARCAMO	-1,800,000.00
9/20/2016	9/20/2016	RW	1514553	JAVIER CARCAMO	-750,000.00

Account Summary

Total Deposit:	0.00	Beginning Balance:	33,604,631.15
Total Withdrawal:	-2,550,000.00	Ending Balance:	31,054,631.15

Local Agency Investment Fund  
P.O. Box 942809  
Sacramento, CA 94209-0001  
(916) 653-3001

CITY OF NATIONAL CITY

FINANCE DIRECTOR  
1243 NATIONAL CITY BLVD  
NATIONAL CITY, CA 91950-4397

[www.treasurer.ca.gov/pmia-laif/laif.asp](http://www.treasurer.ca.gov/pmia-laif/laif.asp)

September 19, 2016

PMIA Average Monthly Yields

Account Number:  
98-37-576

Tran Type Definitions

August 2016 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
8/9/2016	8/9/2016	RW	1511681	JAVIER CARCAMO	-1,000,000.00
8/25/2016	8/25/2016	RW	1512862	JAVIER CARCAMO	-2,000,000.00

Account Summary

Total Deposit:	0.00	Beginning Balance:	36,604,631.15
Total Withdrawal:	-3,000,000.00	Ending Balance:	33,604,631.15



Local Agency Investment Fund  
P.O. Box 942809  
Sacramento, CA 94209-0001  
(916) 653-3001

CITY OF NATIONAL CITY

FINANCE DIRECTOR  
1243 NATIONAL CITY BLVD  
NATIONAL CITY, CA 91950-4397

[www.treasurer.ca.gov/pmia-laif/laif.asp](http://www.treasurer.ca.gov/pmia-laif/laif.asp)

August 23, 2016

PMIA Average Monthly Yields

Account Number:

98-37-576

Tran Type Definitions

July 2016 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
7/15/2016	7/14/2016	QRD	1508458	SYSTEM	48,008.23

Account Summary

Total Deposit:	48,008.23	Beginning Balance:	36,556,622.92
Total Withdrawal:	0.00	Ending Balance:	36,604,631.15

# Monthly Account Statement

## City of National City

September 1, 2016 through September 30, 2016

### Chandler Team

For questions about your account,  
please call (800) 317-4747 or  
Email [operations@chandlerasset.com](mailto:operations@chandlerasset.com)

### Custodian

Bank of New York Mellon  
Lauren Dehner  
(904)645-1918

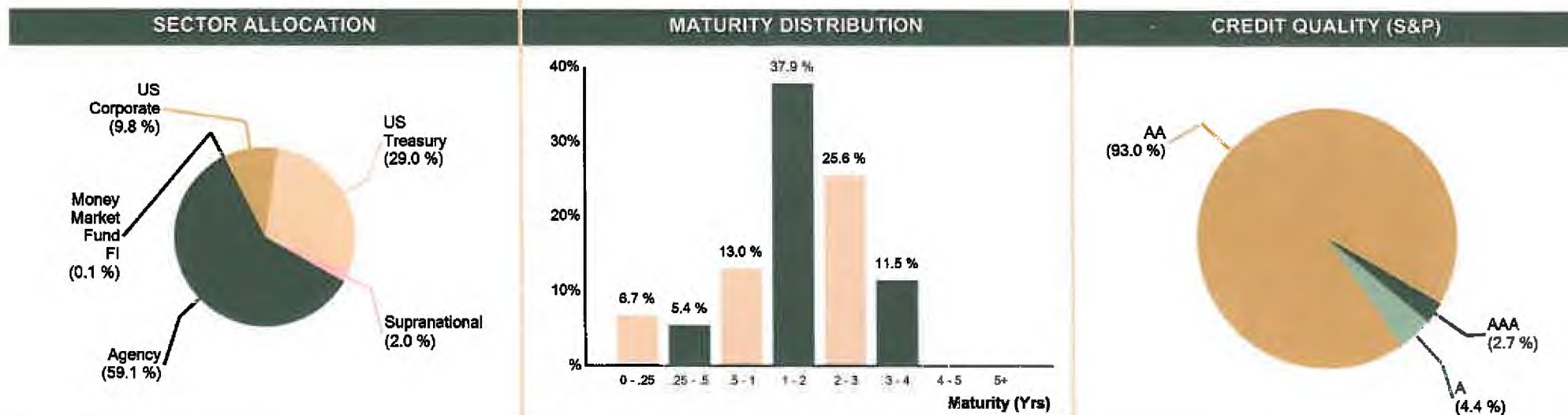
***Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source.***



## Portfolio Summary

As of 9/30/2016

PORTFOLIO CHARACTERISTICS		ACCOUNT SUMMARY			TOP ISSUERS	
Average Duration	1.70		<b>Beg. Values as of 8/31/16</b>	<b>End Values as of 9/30/16</b>	<b>Issuer</b>	<b>% Portfolio</b>
Average Coupon	1.11 %	<b>Market Value</b>	22,606,923	22,647,133	Government of United States	29.0 %
Average Purchase YTM	1.10 %	<b>Accrued Interest</b>	74,858	62,871	Federal National Mortgage Assoc	18.6 %
Average Market YTM	0.82 %	<b>Total Market Value</b>	22,681,781	22,710,004	Federal Home Loan Mortgage Corp	16.8 %
Average S&P/Moody Rating	AA+/Aaa	<b>Income Earned</b>	22,426	21,321	Federal Home Loan Bank	15.1 %
Average Final Maturity	1.74 yrs	<b>Cont/WD</b>		0	Federal Farm Credit Bank	8.7 %
Average Life	1.73 yrs	<b>Par</b>	22,518,582	22,549,879	Intl Bank Recon and Development	2.0 %
		<b>Book Value</b>	22,573,671	22,541,845	Berkshire Hathaway	1.3 %
		<b>Cost Value</b>	22,573,671	22,541,845	Apple Inc	1.2 %
						92.6 %



PERFORMANCE REVIEW									
Total Rate of Return As of 9/30/2016	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized			2/29/2012	Since 2/29/2012
					3 Yrs	5 Yrs	10 Yrs		
City of National City	0.12 %	-0.02 %	1.52 %	1.13 %	0.95 %	N/A	N/A	0.79 %	3.67 %
BAML 1-3 Yr US Treasury/Agency Index	0.12 %	-0.09 %	1.33 %	0.89 %	0.86 %	N/A	N/A	0.73 %	3.39 %





## COMPLIANCE WITH INVESTMENT POLICY

*Assets managed by Chandler Asset Management are in full compliance with State law and with the City's investment policy.*

Category	Standard	Comment
Municipal Securities	BBB rated equivalent by a NRSRO or 4th highest general classification by a NRSRO; 30% maximum	Complies
Treasury Issues	No Limitation	Complies
Agency Issues	No Limitation	Complies
Supranationals	"AA" rated or higher by a NRSRO; 30% maximum; U.S. dollar denominated; Issued by: IBRD, IFC, IADB	Complies
Banker's Acceptances	"A-1" rated or higher by at least two NRSROs; and "A" rated long term debt by two NRSROs; 40% maximum; 180 days max maturity;	Complies
Commercial Paper*	"A-1" rated or higher by at least two NRSROs; and "A" rated long term debt by two NRSROs; 25% maximum; 270 days max maturity;	Complies
FDIC insured Time Deposits/ Certificates of Deposit	Amount per institution limited to the max covered under FDIC; 30% maximum combined certificates of deposit including CDARS	Complies
Negotiable Certificates of Deposit*	"A" rated or higher by at least two NRSROs; and/or have short term debt rated "A1" or higher by at least two NRSROs; 30% maximum	Complies
Medium Term Notes*	"A" rated or better by at least two NRSROs; 30% maximum; Issued by corporations organized and operating within the U.S.	Complies
*Combined exposure	10% combined total exposure to Commercial Paper, Negotiable Certificates of Deposit, and Medium Term Notes	Complies
Money Market Mutual Funds	AAA rated or equivalent by at least two NRSROs; 20% maximum; SEC registered with assets under management in excess of \$500 million	Complies
Mortgage Pass-throughs, CMOs and Asset Backed Securities	"AA" rated or better by two NRSROs; "A" rated or higher for the issuer's debt by two NRSROs; 20% maximum	Complies
Local Agency Investment Fund - L.A.I.F.	maximum LAIF program; Currently not used by investment adviser	Complies
Prohibited Securities	Inverse floaters; Ranges notes; Interest-only strips from mortgaged backed securities; Zero interest accrual securities; Reverse Repurchase Agreements; Foreign currency denominated sec	Complies
Callable Securities	20% maximum (does not include "make whole call" securities)	Complies
Maximum Issuer	5% max (except US Government, its agencies and enterprises)	Complies
Maximum maturity	5 years	Complies





Income Earned  
8/31/16 Thru 9/30/16

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Unreal G/L Total Income
<b>Fixed Income</b>						
037833AQ3	Apple Inc Note 2.1% Due 05/06/2019	05/04/2016 05/09/2016 270,000.00	276,928.20 0.00 0.00 276,928.20	1,811.25 0.00 2,283.75 472.50	0.00 0.00 0.00 472.50	0.00 0.00 0.00 472.50
084670BD9	Berkshire Hathaway Note 1.9% Due 01/31/2017	06/17/2014 06/20/2014 285,000.00	291,429.60 0.00 0.00 291,429.60	466.29 0.00 917.54 451.25	0.00 0.00 0.00 451.25	0.00 0.00 0.00 451.25
166764AA8	Chevron Corp Callable Note Cont 11/5/17 1.104% Due 12/05/2017	05/19/2014 05/22/2014 260,000.00	259,703.60 0.00 0.00 259,703.60	685.71 0.00 924.91 239.20	0.00 0.00 0.00 239.20	0.00 0.00 0.00 239.20
3130A4GJ5	FHLB Note 1.125% Due 04/25/2018	Various Various 450,000.00	451,689.00 0.00 0.00 451,689.00	1,771.88 0.00 2,193.75 421.87	0.00 0.00 0.00 421.87	0.00 0.00 0.00 421.87
3130A8PK3	FHLB Note 0.625% Due 08/07/2018	08/30/2016 08/31/2016 455,000.00	452,684.05 0.00 0.00 452,684.05	189.58 0.00 426.56 236.98	0.00 0.00 0.00 236.98	0.00 0.00 0.00 236.98
31331V3Z7	FFCB Note Due 09/15/2016	06/22/2012 06/25/2012 0.00	430,134.25 0.00 430,134.25 0.00	8,751.89 9,490.00 0.00 738.11	0.00 0.00 0.00 738.11	0.00 0.00 0.00 738.11
313371PV2	FHLB Note 1.625% Due 12/09/2016	02/29/2012 03/01/2012 480,000.00	494,668.80 0.00 0.00 494,668.80	1,776.67 0.00 2,426.67 650.00	0.00 0.00 0.00 650.00	0.00 0.00 0.00 650.00
3133782M2	FHLB Note 1.5% Due 03/08/2019	05/28/2015 05/29/2015 440,000.00	443,207.60 0.00 0.00 443,207.60	3,171.67 3,300.00 421.67 550.00	0.00 0.00 0.00 550.00	0.00 0.00 0.00 550.00
313378A43	FHLB Note 1.375% Due 03/09/2018	09/17/2013 09/18/2013 470,000.00	464,472.80 0.00 0.00 464,472.80	3,087.64 3,231.25 394.93 538.54	0.00 0.00 0.00 538.54	0.00 0.00 0.00 538.54
313379DD8	FHLB Note 1% Due 06/21/2017	03/14/2014 03/17/2014 565,000.00	566,553.75 0.00 0.00 566,553.75	1,098.61 0.00 1,569.44 470.83	0.00 0.00 0.00 470.83	0.00 0.00 0.00 470.83



Income Earned  
8/31/16 Thru 9/30/16

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Unreal G/L Total Income
313380FB8	FHLB Note 1.375% Due 09/13/2019	Various Various 540,000.00	536,816.60 0.00 0.00 536,816.60	3,465.00 3,712.50 371.25 618.75	0.00 0.00 0.00 618.75	0.00 618.75
3133EEJ50	FFCB Note 1.03% Due 05/11/2018	05/05/2015 05/11/2015 450,000.00	449,145.00 0.00 0.00 449,145.00	1,416.25 0.00 1,802.50 386.25	0.00 0.00 0.00 386.25	0.00 386.25
3133EFAN7	FFCB Note 0.75% Due 04/24/2017	09/23/2015 09/24/2015 550,000.00	551,045.00 0.00 0.00 551,045.00	1,455.21 0.00 1,798.96 343.75	0.00 0.00 0.00 343.75	0.00 343.75
3133EFSJ7	FFCB Note 1.3% Due 12/14/2018	12/10/2015 12/14/2015 550,000.00	549,279.50 0.00 0.00 549,279.50	1,529.31 0.00 2,125.14 595.83	0.00 0.00 0.00 595.83	0.00 595.83
3133EFW52	FFCB Note 1.15% Due 07/01/2019	04/08/2016 04/11/2016 400,000.00	401,956.00 0.00 0.00 401,956.00	766.67 0.00 1,150.00 383.33	0.00 0.00 0.00 383.33	0.00 383.33
3135G0D75	FNMA Note 1.5% Due 06/22/2020	12/17/2015 12/21/2015 575,000.00	568,778.50 0.00 0.00 568,778.50	1,653.13 0.00 2,371.88 718.75	0.00 0.00 0.00 718.75	0.00 718.75
3135G0E33	FNMA Note 1.125% Due 07/20/2018	Various Various 450,000.00	449,689.56 0.00 0.00 449,689.56	573.56 0.00 998.44 421.88	0.00 0.00 0.00 421.88	0.00 421.88
3135G0E58	FNMA Note 1.125% Due 10/19/2018	09/14/2016 09/15/2016 395,000.00	0.00 397,010.55 0.00 397,010.55	0.00 (1,802.19) 1,999.69 197.50	0.00 0.00 0.00 197.50	0.00 197.50
3135G0GY3	FNMA Note 1.25% Due 01/30/2017	09/17/2012 09/18/2012 400,000.00	409,328.00 0.00 0.00 409,328.00	430.56 0.00 847.22 416.66	0.00 0.00 0.00 416.66	0.00 416.66
3135G0MZ3	FNMA Note 0.875% Due 08/28/2017	08/15/2013 08/20/2013 545,000.00	535,429.80 0.00 0.00 535,429.80	39.74 0.00 437.14 397.40	0.00 0.00 0.00 397.40	0.00 397.40
3135G0RT2	FNMA Note 0.875% Due 12/20/2017	07/31/2015 07/31/2015 350,000.00	350,044.80 0.00 0.00 350,044.80	603.99 0.00 859.20 255.21	0.00 0.00 0.00 255.21	0.00 255.21





Income Earned  
8/31/16 Thru 9/30/16

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Unreal G/L Total Income
3135G0TG8	FNMA Note 0.875% Due 02/08/2018	12/11/2013 12/12/2013 590,000.00	579,757.60 0.00 0.00 579,757.60	329.83 0.00 760.03 430.20	0.00 0.00 0.00 430.20	0.00 0.00 0.00 430.20
3135G0WJ8	FNMA Note 0.875% Due 05/21/2018	05/05/2015 05/06/2015 450,000.00	447,472.80 0.00 0.00 447,472.80	1,093.75 0.00 1,421.88 328.13	0.00 0.00 0.00 328.13	0.00 0.00 0.00 328.13
3135G0YT4	FNMA Note 1.625% Due 11/27/2018	08/31/2015 08/31/2015 440,000.00	446,141.96 0.00 0.00 446,141.96	1,866.94 0.00 2,462.78 595.84	0.00 0.00 0.00 595.84	0.00 0.00 0.00 595.84
3137EADC0	FHLMC Note 1% Due 03/08/2017	08/20/2012 08/21/2012 535,000.00	538,386.55 0.00 0.00 538,386.55	2,570.97 2,675.00 341.81 445.84	0.00 0.00 0.00 445.84	0.00 0.00 0.00 445.84
3137EADK2	FHLMC Note 1.25% Due 08/01/2019	05/05/2015 05/06/2015 450,000.00	446,149.35 0.00 0.00 446,149.35	468.75 0.00 937.50 468.75	0.00 0.00 0.00 468.75	0.00 0.00 0.00 468.75
3137EADL0	FHLMC Note 1% Due 09/29/2017	09/23/2015 09/24/2015 525,000.00	527,709.00 0.00 0.00 527,709.00	2,216.67 2,625.00 29.17 437.50	0.00 0.00 0.00 437.50	0.00 0.00 0.00 437.50
3137EADM8	FHLMC Note 1.25% Due 10/02/2019	05/05/2015 05/06/2015 450,000.00	444,822.75 0.00 0.00 444,822.75	2,328.13 0.00 2,795.88 468.75	0.00 0.00 0.00 468.75	0.00 0.00 0.00 468.75
3137EADN6	FHLMC Note 0.75% Due 01/12/2018	07/28/2014 07/29/2014 490,000.00	480,954.59 0.00 0.00 480,954.59	500.21 0.00 806.46 306.25	0.00 0.00 0.00 306.25	0.00 0.00 0.00 306.25
3137EADP1	FHLMC Note 0.875% Due 03/07/2018	02/26/2015 02/27/2015 400,000.00	397,552.00 0.00 0.00 397,552.00	1,691.67 1,750.00 233.33 291.66	0.00 0.00 0.00 291.66	0.00 0.00 0.00 291.66
3137EADR7	FHLMC Note 1.375% Due 05/01/2020	08/24/2016 08/25/2016 455,000.00	460,332.60 0.00 0.00 460,332.60	2,085.42 0.00 2,606.77 521.35	0.00 0.00 0.00 521.35	0.00 0.00 0.00 521.35
3137EADS5	FHLMC Note 0.875% Due 10/14/2016	11/14/2013 11/15/2013 480,000.00	483,316.80 0.00 0.00 483,316.80	1,598.33 0.00 1,948.33 350.00	0.00 0.00 0.00 350.00	0.00 0.00 0.00 350.00



Income Earned  
8/31/16 Thru 9/30/16

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Unreal G/L Total Income
36962G6K5	General Electric Capital Corp Note 1.6% Due 11/20/2017	11/24/2014 11/28/2014 270,000.00	272,208.60 0.00 0.00 272,208.60	1,212.00 0.00 1,572.00 360.00	0.00 0.00 0.00 360.00	0.00 0.00 360.00
459058ER0	Intl. Bank Recon & Development Note 1% Due 10/05/2018	03/30/2016 03/31/2016 450,000.00	449,667.00 0.00 0.00 449,667.00	1,825.00 0.00 2,200.00 375.00	0.00 0.00 0.00 375.00	0.00 0.00 375.00
594918BF0	Microsoft Note 1.3% Due 11/03/2018	10/29/2015 11/03/2015 130,000.00	129,870.00 0.00 0.00 129,870.00	553.94 0.00 694.78 140.84	0.00 0.00 0.00 140.84	0.00 0.00 140.84
747525AG8	Qualcomm Inc Note 1.4% Due 05/18/2018	06/16/2015 06/19/2015 220,000.00	219,205.80 0.00 0.00 219,205.80	864.11 0.00 1,120.78 256.67	0.00 0.00 0.00 256.67	0.00 0.00 256.67
808513AK1	Charles Schwab Corp Callable Note Cont 2/10/2018 1.5% Due 03/10/2018	04/07/2015 04/10/2015 250,000.00	251,547.50 0.00 0.00 251,547.50	1,781.25 1,875.00 218.75 312.50	0.00 0.00 0.00 312.50	0.00 0.00 312.50
91159HHD5	US Bancorp Callable Note Cont 4/15/2017 1.65% Due 05/15/2017	05/19/2014 05/22/2014 250,000.00	254,227.50 0.00 0.00 254,227.50	1,214.58 0.00 1,558.33 343.75	0.00 0.00 0.00 343.75	0.00 0.00 343.75
912828L32	US Treasury Note 1.375% Due 08/31/2020	08/30/2016 08/31/2016 240,000.00	242,475.80 0.00 0.00 242,475.80	9.12 0.00 282.60 273.48	0.00 0.00 0.00 273.48	0.00 0.00 273.48
912828L40	US Treasury Note 1% Due 09/15/2018	10/29/2015 11/02/2015 450,000.00	449,667.52 0.00 0.00 449,667.52	2,078.80 2,250.00 198.90 370.10	0.00 0.00 0.00 370.10	0.00 0.00 370.10
912828RU6	US Treasury Note 0.875% Due 11/30/2016	01/28/2016 01/29/2016 535,000.00	536,151.21 0.00 0.00 536,151.21	1,189.50 0.00 1,573.21 383.71	0.00 0.00 0.00 383.71	0.00 0.00 383.71
912828S43	US Treasury Note 0.75% Due 07/15/2019	08/01/2016 08/02/2016 435,000.00	434,780.56 0.00 0.00 434,780.56	425.54 0.00 691.51 265.97	0.00 0.00 0.00 265.97	0.00 0.00 265.97
912828SD3	US Treasury Note 1.25% Due 01/31/2019	04/29/2015 04/30/2015 400,000.00	401,095.09 0.00 0.00 401,095.09	434.78 0.00 842.39 407.61	0.00 0.00 0.00 407.61	0.00 0.00 407.61





Income Earned  
8/31/16 Thru 9/30/16

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Unreal G/L Total Income
912828ST8	US Treasury Note 1.25% Due 04/30/2019	Various Various 450,000.00	449,676.31 0.00 0.00 449,676.31	1,895.38 0.00 2,353.94 458.56	0.00 0.00 0.00 458.56	0.00 0.00 0.00 458.56
912828SY7	US Treasury Note 0.625% Due 05/31/2017	03/14/2014 03/17/2014 500,000.00	496,290.74 0.00 0.00 496,290.74	794.06 0.00 1,050.20 256.14	0.00 0.00 0.00 256.14	0.00 0.00 0.00 256.14
912828TH3	US Treasury Note 0.875% Due 07/31/2019	03/30/2016 03/31/2016 400,000.00	398,204.46 0.00 0.00 398,204.46	304.35 0.00 589.67 285.32	0.00 0.00 0.00 285.32	0.00 0.00 0.00 285.32
912828TW0	US Treasury Note 0.75% Due 10/31/2017	02/16/2016 02/17/2016 500,000.00	500,138.39 0.00 0.00 500,138.39	1,263.59 0.00 1,569.29 305.70	0.00 0.00 0.00 305.70	0.00 0.00 0.00 305.70
912828UB4	US Treasury Note 1% Due 11/30/2019	10/29/2015 11/02/2015 450,000.00	443,181.20 0.00 0.00 443,181.20	1,143.44 0.00 1,512.30 368.86	0.00 0.00 0.00 368.86	0.00 0.00 0.00 368.86
912828UU2	US Treasury Note 0.75% Due 03/31/2018	09/03/2014 09/04/2014 520,000.00	510,637.68 0.00 0.00 510,637.68	1,640.98 1,950.00 10.71 319.73	0.00 0.00 0.00 319.73	0.00 0.00 0.00 319.73
912828UV0	US Treasury Note 1.125% Due 03/31/2020	05/25/2016 05/27/2016 400,000.00	398,423.22 0.00 0.00 398,423.22	1,893.44 2,250.00 12.36 368.92	0.00 0.00 0.00 368.92	0.00 0.00 0.00 368.92
912828UZ1	US Treasury Note 0.625% Due 04/30/2018	Various Various 415,000.00	411,180.30 0.00 0.00 411,180.30	873.98 0.00 1,085.43 211.45	0.00 0.00 0.00 211.45	0.00 0.00 0.00 211.45
912828VK3	US Treasury Note 1.375% Due 06/30/2018	02/26/2015 02/27/2015 400,000.00	402,954.47 0.00 0.00 402,954.47	941.58 0.00 1,389.95 448.37	0.00 0.00 0.00 448.37	0.00 0.00 0.00 448.37
912828XK1	US Treasury Note 0.875% Due 07/15/2018	07/31/2015 07/31/2015 450,000.00	448,560.10 0.00 0.00 448,560.10	513.59 0.00 834.58 320.99	0.00 0.00 0.00 320.99	0.00 0.00 0.00 320.99
94974BFG0	Wells Fargo Corp Note 1.5% Due 01/16/2018	11/24/2014 11/28/2014 270,000.00	269,365.50 0.00 0.00 269,365.50	506.25 0.00 843.75 337.50	0.00 0.00 0.00 337.50	0.00 0.00 0.00 337.50



# Income Earned

8/31/16 Thru 9/30/16

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Unreal G/L Total Income
			22,555,089.36	74,857.54	0.00	
			397,010.55	33,306.56	0.00	
			430,134.25	62,871.01	0.00	0.00
<b>TOTAL Fixed Income</b>		<b>22,530,000.00</b>	<b>22,521,965.66</b>	<b>21,320.03</b>	<b>21,320.03</b>	<b>21,320.03</b>
<b>Cash &amp; Equivalent</b>						
60934N807	Federated Prime Value Oblig Govt Oblig Fund Inst.		18,582.01	0.00	0.00	
		Various	1,297.12	1.11	0.00	
		Various	0.00	0.00	0.00	0.00
		19,879.13	19,879.13	1.11	1.11	1.11
			18,582.01	0.00	0.00	
			1,297.12	1.11	0.00	
			0.00	0.00	0.00	0.00
<b>TOTAL Cash &amp; Equivalent</b>		<b>19,879.13</b>	<b>19,879.13</b>	<b>1.11</b>	<b>1.11</b>	<b>1.11</b>
			22,573,671.37	74,857.54	0.00	
			398,307.67	33,307.67	0.00	
			430,134.25	62,871.01	0.00	0.00
<b>TOTAL PORTFOLIO</b>		<b>22,549,879.13</b>	<b>22,541,844.79</b>	<b>21,321.14</b>	<b>21,321.14</b>	<b>21,321.14</b>





COUNTY OF SAN DIEGO INVESTMENT POOL  
**TREASURY INVESTMENT RESULTS**

**SEP**  
**2016**

County of San Diego Treasurer-Tax Collector | 1600 Pacific Hwy, San Diego, CA 92101 | [www.sdtreastax.com](http://www.sdtreastax.com)

# SUMMARY PORTFOLIO STATISTICS

## County of San Diego Pooled Money Fund As of September 30, 2016

	Par Value	Book Value	Market Value	% of Portfolio	Market Price	WAM	WAC	YTM	YTW	Accrued Interest	Unrealized Gain/Loss
Asset Backed Securities	67,000,000	66,997,542	67,055,119	0.90	100.082	893	0	1.146	1.146	33,714	57,577
CDARS	10,000,000	10,000,000	10,000,000	0.13	100.000	51	0	0.421	0.421	2,135	-
Collateralized CDs	45,000,000	45,000,000	45,000,000	0.60	100.000	186	0	0.609	0.609	10,541	-
Commercial Paper Disc	1,475,000,000	1,471,128,090	1,467,954,920	19.77	99.523	91	0	0.956	0.956	-	(3,173,170)
FDIC CDs	849,500	849,500	849,500	0.01	100.000	123	0	0.445	0.445	316	-
Federal Agency - Step Up	260,945,000	260,945,000	260,613,424	3.51	99.873	1,714	115	1.835	1.411	596,781	(331,575)
Federal Agency Amer Callable	50,000,000	50,000,000	50,031,000	0.67	100.062	898	123	1.290	1.290	23,333	31,000
Federal Agency Berm Callable	294,535,000	294,467,320	294,508,351	3.96	99.991	690	66	1.086	1.086	882,056	41,030
Federal Agency Coupon Securities	1,165,000,000	1,169,635,701	1,173,667,990	15.72	100.762	667	137	1.028	1.028	3,993,542	4,032,289
Federal Agency Euro Callable	406,013,000	406,012,218	405,997,143	5.45	99.996	831	223	1.053	1.053	733,707	(15,074)
Money Market Accounts	459,500,000	459,500,000	459,640,000	6.18	100.030	1	0	0.189	0.189	51,688	140,000
Negotiable CDs	1,893,500,000	1,893,500,118	1,893,500,000	25.45	100.000	147	0	1.042	1.042	4,142,818	(118)
Repurchase Agreements	13,769,705	13,769,705	13,769,705	0.19	100.000	1	0	0.010	0.010	4	-
Supranational Callable	149,350,000	149,347,681	149,357,500	2.01	100.005	1,056	277	1.171	1.171	415,670	9,819
Supranationals	290,850,000	290,650,729	290,840,800	3.91	100.032	485	0	0.942	0.942	1,074,753	290,070
Treasury Coupon Securities	854,000,000	858,726,813	862,266,040	11.54	100.972	581	0	0.912	0.912	3,017,431	3,539,227
Totals for September 2016	7,436,312,205	7,440,530,417	7,446,151,492	100.00	100.083	415	149	0.981	0.986	14,978,489	4,621,076
Totals for August 2016	7,546,226,500	7,552,347,723	7,556,434,030	100.00	100.000	396	134	0.955	0.943	16,483,610	4,086,306
Change From Prior Month	(110,914,295)	(111,817,306)	(111,282,538)		0.083	19	15	0.026	0.023	(1,505,121)	534,769

Portfolio Effective Duration 0.89 years

	August Return	Annualized	Fiscal Year To Date Return	Annualized	Calendar Year To Date Return	Annualized
Book Value	0.084%	1.024%	0.238%	0.944%	0.594%	0.791%
Market Value	0.084%	1.023%	0.238%	0.943%	0.593%	0.790%

### Note

Yield to maturity (YTM) is the estimated rate of return on a bond given its purchase price, assuming all coupon payments are made on a timely basis and reinvested at this same rate of return to the maturity date.

Yield to call (YTC) is the estimated rate of return on a bond given its purchase price, assuming all coupon payments are made on a timely basis and reinvested at this same rate of return to the call date.

Yield to worst (YTW) is the lesser of yield to maturity or yield to call, reflecting the optionality of the bond issuer.

Yields for the portfolio are aggregated based on the book value of each security.

\* All investments held during the month of September 2016 were in compliance with the Investment Policy dated January 1, 2016.



Run Date:10/10/16 09:59:18  
Page: 1 of 2

Report Parameters	:
Currency	: USD
Fund Low	: 44077
Fund High	: 44077
Org Low	:
Org High	:
Dept	:
Account Low	:
Account High	:
Period	: SEP-11
Balance Type	: Actual

Run Date 10/10/16 09:59:13  
Page: 2 of 2

Org	SOURCE	CATEGORY	NAME	DESCRIPTION	LINE ITEM	SOURCE ITEM GL DATE	DEBITS	CREDITS
FUND : 11077	NATIONAL CITY INVESTMENT FUND							
ACCOUNT : 10100	CASH IN TREASURY					Beginning Balance :	5,090,049.69	
						Total :	0.00	0.00
						Ending Balance :	5,090,049.69	
ACCOUNT : 31100	FUND BALANCE AVAILABLE - ACTUAL BASIS					Beginning Balance :		5,090,049.69
						Total :	0.00	0.00
						Ending Balance :		5,090,049.69
						Grand Total :	0.00	0.00

\*\*\*End Of Report\*\*\*

The following page(s) contain the backup material for Agenda Item: Warrant Register #17 for the period of 10/19/16 through 10/25/16 in the amount of \$2,485,391.15.  
(Finance)

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.**

**ITEM TITLE:**

Warrant Register #17 for the period of 10/19/16 through 10/25/16 in the amount of \$2,485,391.15.  
(Finance)

**PREPARED BY:** K. Apalategui

**PHONE:** 619-336-4572

**DEPARTMENT:** Finance

**APPROVED BY:** 

**EXPLANATION:**

Per Government Section Code 37208, attached are the warrants issued for the period of 10/19/16 through 10/25/16.

Consistent with Department of Finance, listed below are all payments above \$50,000.

<u>Vendor</u>	<u>Check/Wire</u>	<u>Amount</u>	<u>Explanation</u>
City of Chula Vista	325853	73,931.22	Animal Care Center Fees / PD
Dick Miller Inc	325865	347,492.62	Plaza Blvd & 14 St. Improv. Project
Fordyce Construction Inc	325875	64,540.15	Las Palmas Pool & Camacho Project
Kimley Horn and Assoc Inc	325889	64,655.64	Wayfinding Task Project
Kinsman Construction Inc	325890	119,610.67	Police Dept. Improv. Project
Western Rim Constructors Inc	325939	108,864.61	El Toyon and Kimball Skate Project
Public Emp Ret System	10192016	401,656.62	Service Peroid 09/27/16 – 10/10/16

**FINANCIAL STATEMENT:**

**APPROVED:**  Finance

**ACCOUNT NO.**

**APPROVED:** MIS

Warrant total \$2,485,391.15.

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, not subject to environmental review.

**ORDINANCE:** INTRODUCTION: ☐

FINAL ADOPTION: ☐

**STAFF RECOMMENDATION:**

Ratify warrants totaling \$2,485,391.15.

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

Warrant Register #17





**WARRANT REGISTER #17**  
**10/25/2016**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
A&B SAW & LAWNMOWER	RESCUE SAWS PARTS - FIRE	325836	10/25/16	1,539.70
ACME SAFETY & SUPPLY CORP	24X24 ENTRANCE SIGN / PW	325837	10/25/16	112.82
ADMINSURE INC	WC CLAIMS ADMINISTRATION - NOVEMBER	325838	10/25/16	6,948.33
AFLAC	ACCT BDM36 / NOVEMBER 2016	325839	10/25/16	642.08
ALDEMCO	FOOD / NUTRITION CENTER	325840	10/25/16	4,284.44
ALL FRESH PRODUCTS	FOOD / NUTRITION CENTER	325841	10/25/16	964.49
ALPHA PROJECT FOR THE HOMELESS	EXPENSE REIMB / HOMELESS PROJECT / NSD	325842	10/25/16	9,097.48
AMEDEE, W	CERT ITEMS - FIRE	325843	10/25/16	124.13
ASSI SECURITY INC	ASSI CARD READER INSTALLATION	325844	10/25/16	6,216.00
AT&T	AT&T SEPTEMBER 2016	325845	10/25/16	357.32
AT&T MOBILITY	AT&T WIRELESS PD	325846	10/25/16	3,068.64
ATKINS NORTH AMERICA INC	FY 17 TAX ROLL SERVICE	325847	10/25/16	1,904.00
BAVENCOFF JR, D	EDUCATIONAL REIMBURSEMENT	325848	10/25/16	1,053.44
BSE ENGINEERING, INC.	POLICE STATION UPGRADES PROJECT	325849	10/25/16	13,015.07
CARDIAC SCIENCE CORPORATION	G3 PLUS FULLY-AUTOMATIC PACKAGE	325850	10/25/16	1,361.00
CHILDREN'S HOSPITAL	CHILD ABUSE EXAM / PD	325851	10/25/16	1,368.00
CIRCULATE SAN DIEGO	ACTIVE TRANSPORTATION PLANNING	325852	10/25/16	1,938.54
CITY OF CHULA VISTA	ANIMAL CARE CENTER FEES/PD	325853	10/25/16	73,931.22
CITY OF NATIONAL CITY	PETTY CASH REPLENISHMENT / AUG 2016	325854	10/25/16	271.68
CLEAN HARBORS	HOUSEHOLD HAZARDOUS WASTE SVCS	325855	10/25/16	1,363.54
COUNTY OF SAN DIEGO	UNIFIED PROGRAM FAC. PERMIT	325856	10/25/16	502.00
COUNTY OF SAN DIEGO	2016 DEBT SYMPOSIUM REGISTRATION FEE	325857	10/25/16	50.00
COX COMMUNICATIONS	COX INTERNET OCTOBER 2016	325858	10/25/16	3,600.37
CULLIGAN	WATER SOFTENER / NUTRITION	325859	10/25/16	15.00
DATA TICKET INC	TICKET APPEALS & ON-LINE ACCESS / NSD	325860	10/25/16	2,878.37
DELL MARKETING L P	DELL COMPUTERS / MIS	325861	10/25/16	10,810.92
DELTA DENTAL	COBRA PREMIER DENTAL INS/SEPT 2016	325862	10/25/16	45.22
DELTA DENTAL INSURANCE CO	COBRA DENTAL INS PMI / SEPT 2016	325863	10/25/16	55.44
DEPARTMENT OF TRANSPORTATION	HIGHWAY LIGHTING FOR FY 2017	325864	10/25/16	7,399.21
DICK MILLER INC	PLAZA BLVD. & 14 ST. IMPROV. PROJECT	325865	10/25/16	347,492.62
DION INTERNATIONAL TRUCK INC	GLASS KIT / PW	325866	10/25/16	146.89
D-MAX ENGINEERING	STORMWATER SERVICES FY16-17	325867	10/25/16	43,246.87
E2 MANAGE TECH INC	2020 HOOVER UST PROJECT	325868	10/25/16	2,970.00
EQUIFAX INFORMATION SVCS	CREDIT REPORTS / SEC 8	325869	10/25/16	298.45
EVIDENT CRIME SCENE PRODUCTS	LAB SUPPLIES / PD	325870	10/25/16	785.92
EXPERIAN	CREDIT CHECK / POLICE DEPARTMENT	325871	10/25/16	29.36
FEDEX	FEDEX PACKAGE DELIVERY WITOD	325872	10/25/16	54.65
FIRE SERVICE SPECIF & SUPPLY	SERVICE HOLMATRO TOOLS - FIRE	325873	10/25/16	402.87
FLINT TRADING INC	TRAFFIC SUPPLIES / PW	325874	10/25/16	6,425.15
FORDYCE CONSTRUCTION INC	LAS PALMAS POOL & CAMACHO GYM PROJECT	325875	10/25/16	64,540.15
FORDYCE CONSTRUCTION INC	LAS PALMAS PARK/POOL/GYM PROJECT	325876	10/25/16	3,396.85
GEOSYNTEC CONSULTANTS INC	EDUCATION VILLAGE PROJECT	325877	10/25/16	977.47
GRAINGER	BOXES FOR WATER TENDER - FIRE	325878	10/25/16	891.16
GROSSMAN PSYCHOLOGICAL	PRE-EMPLOYMENT PSYCHOLOGICAL EVALUATIONS	325879	10/25/16	825.00
GTC SYSTEMS INC	GTC HELPDESK SUPPORT / MIS	325880	10/25/16	4,200.00
PUENTES, G	STATE OF THE CITY 2016 RENTALS	325881	10/25/16	942.30
HARRIS & ASSOCIATES	GROUP 1 SEWER DESIGN PROJECT	325882	10/25/16	2,990.00
HAWTHORNE MACHINERY	PUMP AS LIFT / PW	325883	10/25/16	210.22
HERNANDEZ, R	TAILOR FIRE INV	325884	10/25/16	56.00





**WARRANT REGISTER #17**  
**10/25/2016**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
HONEYWELL INTERNATIONAL INC	DC MOTOR DIRECT DAMPER	325885	10/25/16	1,569.26
INSTITUTE OF TRANSPORTATION	ITE RENEW MEMBERSHIP / ENG	325886	10/25/16	299.28
KAISER FOUNDATION HEALTH PLANS	RETIREES INS - COBRA / SEPT 2016	325887	10/25/16	1,647.02
KANE BALLMER & BERKMAN	ATTORNEY SERVICES PALM PLAZA	325888	10/25/16	292.50
KIMLEY HORN AND ASSOC INC	WAYFINDING TASK PROJECT	325889	10/25/16	64,655.64
KINSMAN CONSTRUCTION INC	POLICE DEPT. IMPROV. PROJECT	325890	10/25/16	119,610.67
KONICA MINOLTA	COPIER EQUIPMENT LEASE / SEPT 2016	325891	10/25/16	2,032.53
LASER SAVER INC	MOP 45725 TONER CARTRIDGE / S8	325892	10/25/16	522.99
LOPEZ, J	MILEAGE REIMBURSEMENT / ENG	325893	10/25/16	10.53
MARLO'S AUTO SPECIALTIES	REMOVE AND INSTALL DOOR / PE	325894	10/25/16	90.00
MOTOROLA SOLUTIONS INC	TRUNKING SOFTWARE - FIRE DEPT	325895	10/25/16	28,431.51
NAHRO	ANNUAL MEMBERSHIP / SEC 8	325896	10/25/16	1,466.40
NATIONAL CITY TROPHY	TILE WALNUT PLAQUE HOLDER / STATE OF THE CITY	325897	10/25/16	392.40
NATIONAL CITY TROPHY	TILE WALNUT PLAQUE HOLDER / STATE OF THE CITY	325898	10/25/16	239.80
NATIONAL CREDIT REPORTING	BACKGROUND CHECK / S8	325899	10/25/16	142.20
ORKIN	PEST CONTROL SERVICES / PW	325900	10/25/16	659.00
PACIFIC HIGHWAY RENTALS LLC	STADIUM LIGHT TOWER PROJECT	325901	10/25/16	3,906.00
PADRE JANITORIAL SUPPLIES	JANITORIAL SUPPLIES / NUTRITION	325902	10/25/16	376.06
PDR	PHYSICIANS' DESK REFERENCE/PD	325903	10/25/16	65.35
PRO BUILD	MOP#45707. PAINT SUPPLIES / NSD	325904	10/25/16	227.71
PRO-EDGE KNIFE	KNIFE SHARPENING SERVICE / NUTRITION	325905	10/25/16	46.00
PROJECT PROFESSIONALS CORP	WAYFINDING PROJECT	325906	10/25/16	630.00
PROMOTIONAL DESIGN GROUP AND	POP UP CANOPIES - FIRE	325907	10/25/16	1,391.54
PRUDENTIAL OVERALL SUPPLY	MOP# 45742. LAUNDRY SVC / NSD	325908	10/25/16	26.08
PUBLIC EMP RETIREMENT SYSTEM	DIRECT AUTHORIZATION ANNUAL BILLING	325909	10/25/16	11.58
RIVERSIDE COUNTY SHERIFF DEPT	TUITION 24PERISHABLE SKILLS / PD	325910	10/25/16	320.00
ROUSTON, J	TRAVEL REIMBURSEMENT	325911	10/25/16	14.04
ROYAL LINES CHARTERS LLC	BUS TRANSPORTATION / STATE OF THE CITY	325912	10/25/16	450.00
S D COUNTY SHERIFF'S DEPT	RANGE USE FOR DEPARTMENT	325913	10/25/16	400.00
SAN DIEGO COUNTY RECORDER	COUNTY OF SD BUILDING RECORDS	325914	10/25/16	14.00
SAN DIEGO GAS & ELECTRIC	GAS & ELECTRIC UTILITIES / NUTRITION	325915	10/25/16	2,933.33
SAN DIEGO HOUSING FEDERATION	SD HOUSING FED MEMBERSHIP	325916	10/25/16	550.00
SAN DIEGO MIRAMAR COLLEGE	CRP TUITION, STINNETT & STEVENS/PD	325917	10/25/16	69.00
SAN DIEGO PLASTICS INC	PVCX WHT WHT KOMA / PW	325918	10/25/16	243.11
SAN DIEGO UNION TRIBUNE	LEGAL NOTICE FOR PALM PLAZA	325919	10/25/16	980.40
SANCHEZ, E	TRAVEL REIMB - FIRE	325920	10/25/16	588.24
SEAPORT MEAT COMPANY	MEAT / NUTRITION CENTER	325921	10/25/16	1,812.71
SHERWIN WILLIAMS	MOP# 77816. PAINT SUPPLIES / NSD	325922	10/25/16	27.16
SOUTH BAY COMMUNITY SERVICES	FY2015-2016 HOME TBRA Q1	325923	10/25/16	30,336.00
SOUTH COAST EMERGENCY	COVER AND BUMPER / PW	325924	10/25/16	794.09
SOUTHWEST SIGNAL SERVICE	TRAFFIC LIGHT MAINTENANCE SEPT 2016	325925	10/25/16	15,542.36
SPEEDPRO IMAGING	SWEEPER TRUCK GRAPHICS	325926	10/25/16	233.00
SPOK INC	SPOK PAGING / MIS	325927	10/25/16	655.49
STAND UP DESK STORE	SUDE60FT-BK/GB 60" ELECTRIC STAND UP	325928	10/25/16	543.14
STAPLES BUSINESS ADVANTAGE	MOP# 45704. OFFICE SUPPLIES / NSD	325929	10/25/16	771.59
STARTECH COMPUTERS	REPLACEMENT HARD DRIVES	325930	10/25/16	558.08
SUPERIOR READY MIX	DG DECOMPOSED GRANITE	325931	10/25/16	418.68
SYSCO SAN DIEGO INC	FOOD / NUTRITION CENTER	325932	10/25/16	6,363.52
THE STAR NEWS PUBLISHING COMP	ADVERTISING / B	325933	10/25/16	74.31

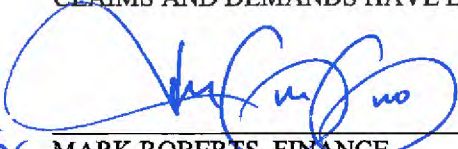


**WARRANT REGISTER #17  
10/25/2016**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
V & V MANUFACTURING	BADGES AND REPAIRS FOR FY17 / PD	325934	10/25/16	145.23
VERIZON WIRELESS	VERIZON SEPTEMBER 2016	325935	10/25/16	717.62
VISION SERVICE PLAN	VISION SERVICE PLAN (CA) OCTOBER 2016	325936	10/25/16	553.98
VULCAN MATERIALS COMPANY	ENVIRONMENTAL FEE	325937	10/25/16	150.77
WEST PAYMENT CENTER	CLEAR INVESTIGATIONS ADV FLAG SEAT/PD	325938	10/25/16	965.92
WESTERN RIM CONSTRUCTORS INC	EL TOYON AND KIMBALL SKATE PROJECT	325939	10/25/16	108,864.61
WILLY'S ELECTRONIC SUPPLY	WILLY'S ELECTRONICS - MIS	325940	10/25/16	141.13
YBARRA, A	EDUCATIONAL REIMBURSEMENT	325941	10/25/16	2,500.00
			<b>A/P Total</b>	<b>1,043,273.94</b>
<b>WIRED PAYMENTS</b>				
PUBLIC EMP RETIREMENT SYSTEM	SERVICE PERIOD 09/27/16 - 10/10/16	10192016	10/19/16	401,656.62
<b>PAYROLL</b>				
Pay period 22	Start Date 10/11/2016	End Date 10/24/2016	Check Date 9/9/2016	1,040,460.59
<b>GRAND TOTAL</b>				<b><u>\$2,485,391.15</u></b>

## Certification

IN ACCORDANCE WITH SECTION 37202, 37208, 372059 OF THE GOVERNMENT CODE, WE HEREBY CERTIFY TO THE ACCURACY OF THE DEMANDS LISTED ABOVE AND TO THE AVAILABILITY OF FUNDS FOR THE PAYMENT THEREOF AND FURTHER THAT THE ABOVE CLAIMS AND DEMANDS HAVE BEEN AUDITED AS REQUIRED BY LAW.

  
For MARK ROBERTS, FINANCE

\_\_\_\_\_  
LESLIE DEESE, CITY MANAGER

### FINANCE COMMITTEE

\_\_\_\_\_  
RONALD J. MORRISON, MAYOR-CHAIRMAN

\_\_\_\_\_  
JERRY CANO, VICE-MAYOR

\_\_\_\_\_  
ALEJANDRA SOTELO-SOLIS, MEMBER

\_\_\_\_\_  
MONA RIOS, MEMBER

\_\_\_\_\_  
ALBERT MENDIVIL, MEMBER

I HEREBY CERTIFY THAT THE FOREGOING CLAIMS AND DEMANDS WERE APPROVED AND THE CITY TREASURER IS AUTHORIZED TO ISSUE SAID WARRANTS IN PAYMENT THEREOF BY THE CITY COUNCIL ON THE 6<sup>th</sup> OF DECEMBER, 2016.

AYES \_\_\_\_\_

NAYS \_\_\_\_\_

ABSENT \_\_\_\_\_

The following page(s) contain the backup material for Agenda Item: Warrant Register #18 for the period of 10/26/16 through 11/01/16 in the amount of \$1,791,247.42.  
(Finance)



**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.** |

**ITEM TITLE:**

Warrant Register #18 for the period of 10/26/16 through 11/01/16 in the amount of \$1,791,247.42.  
(Finance)

**PREPARED BY:** K. Apalategui

**PHONE:** 619-336-4572

**DEPARTMENT:** Finance

**APPROVED BY:** 

**EXPLANATION:**

Per Government Section Code 37208, attached are the warrants issued for the period of 10/19/16 through 10/25/16.

Consistent with Department of Finance, listed below are all payments above \$50,000.

<u>Vendor</u>	<u>Check/Wire</u>	<u>Amount</u>	<u>Explanation</u>
Dick Miller Inc	325965	148,999.55	Plaza and 14 <sup>th</sup> Street Project
Dokken Engineering	325966	131,084.45	Plaza Blvd. Widening Project
Health Net Inc	325976	72,555.25	Ins R1192A – Nov 2016
Kaiser Foundation HP	325980	184,252.50	Ins Active – Nov 2016
SDG&E	326000	68,651.82	Facilities Division Gas & Electric Utilities
West Tech Contracting Inc	326012	98,302.09	Paradise Creek Rest. Project

**FINANCIAL STATEMENT:**

**ACCOUNT NO.**

Warrant total \$1,791,247.42.

**APPROVED:** 

Finance

**APPROVED:** \_\_\_\_\_

MIS

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, not subject to environmental review.

**ORDINANCE:** INTRODUCTION: ☐

FINAL ADOPTION: ☐

**STAFF RECOMMENDATION:**

Ratify warrants totaling \$1,791,247.42.

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

Warrant Register #18



**WARRANT REGISTER #18**  
**11/1/2016**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
STATE OF CALIFORNIA	SALES TAX LIABILITY / JUL - SEPT 2016	325942	10/31/16	3,020.00
DAY WIRELESS SYSTEMS	COMPANY MAINTENANCE / JUL-SEPT / FIRE	325943	10/31/16	1,949.25
GOVERNMENT FINANCE	DISTINGUISHED BUDGET AWARDS PROGRAM	325944	10/31/16	425.00
A REASON TO SURVIVE	BIKE RACK PROJECT	325945	11/1/16	16,632.00
AFFORDABLE BUTTONS COM	I LOVE NC BUTTONS / MYR	325946	11/1/16	1,331.53
AIRGAS WEST	MOP#45714 SUPPLIES / PW	325947	11/1/16	355.16
AT&T	AT&T SEPTEMBER 2016	325948	11/1/16	8,405.49
AT&T MOBILITY	AT&T SEPTEMBER 2016	325949	11/1/16	163.98
AT&T MOBILITY	AT&T OCTOBER 2016	325950	11/1/16	149.72
BANNER BANK	PLAZA BLVD. WIDENING PROJECT	325951	11/1/16	3,323.34
BOOT WORLD	MOP#64096 BOOTS / PW	325952	11/1/16	116.62
BROADWAY AUTO ELECTRIC	MOP#72447 AUTO SUPPLIES / PW	325953	11/1/16	321.55
C A P F	FIRE LTD - NOV 2016	325954	11/1/16	760.50
CALIFORNIA LAW ENFORCEMENT	PD LTD - NOV 2016	325955	11/1/16	2,082.50
CALLYO 2009 CORP	CALLYO BASIC SYSTEM	325956	11/1/16	1,580.00
CAMPOS, A	CITATION REFUND: NC020001084	325957	11/1/16	30.00
COUNTY OF SAN DIEGO	ADVANCE DEPOSIT - ELECTION 2016 COSTS	325958	11/1/16	32,398.00
COUNTY OF SAN DIEGO	SHARE OF PC REVENUE - SEPT 2016	325959	11/1/16	7,948.25
COUNTY OF SAN DIEGO	MAIL SERVICES / SEPTEMBER 2016	325960	11/1/16	2,604.30
CPP PRINTING	POST CARDS-POSTAGE FOR STATE OF THE CITY	325961	11/1/16	769.73
CWEA SAN DIEGO	COLLECTIONS WORKSHOP / GONZALEZ	325962	11/1/16	45.00
DELTA DENTAL	DENTAL INS PREMIER - NOV 2016	325963	11/1/16	15,533.52
DELTA DENTAL INSURANCE CO	PMI DENTAL INS - NOV 2016	325964	11/1/16	2,860.44
DICK MILLER INC	PLAZA AND 14TH STREET PROJECT	325965	11/1/16	148,999.55
DOKKEN ENGINEERING	PLAZA BLVD. WIDENING PROJECT	325966	11/1/16	131,084.45
DPREP INC	TUITION: CRIME PREVENTION	325967	11/1/16	393.00
FASTSIGNS	VINYL 4X4 STICKERS	325968	11/1/16	87.26
FLAGS AND EMBLEMS	AF-4456NFR USA CEREMONIAL FLAG	325969	11/1/16	1,213.92
GRAINGER	MOP#65179 SUPPLIES / PW	325970	11/1/16	645.83
GREGORY, B	REIMBURSEMENT FOR BOOKS FOR RECRUIT / PD	325971	11/1/16	224.31
GTC SYSTEMS INC	GTC HELP DESK SUPPORT	325972	11/1/16	6,048.00
HEALTH NET	FULL NETWORK 57135A - NOV 2016	325973	11/1/16	5,334.29
HEALTH NET	INS N5992A - NOV 2016	325974	11/1/16	2,146.62
HEALTH NET	INS N5992F - NOV 2016	325975	11/1/16	651.54
HEALTH NET INC	INS R1192A - NOV 2016	325976	11/1/16	72,555.25
HUDSON SAFE T LITE RENTALS	TYPE I BARRICADE / PW	325977	11/1/16	839.11
INTERNATIONAL INSTITUTE	MEMBERSHIP / CITY CLERK'S OFFICE	325978	11/1/16	200.00
IXII GROUP	TUITION ETHICS LEADERSHIP/J. MACIAS	325979	11/1/16	99.00
KAISER FOUNDATION HEALTH PLANS	INS ACTIVE - NOV 2016	325980	11/1/16	184,252.50
KAISER FOUNDATION HEALTH PLANS	RETIREEES INS (THRU CALPERS) NOV 2016	325981	11/1/16	20,990.35
KAISER FOUNDATION HEALTH PLANS	RETIREEES INS - NOV 2016	325982	11/1/16	7,572.29
KAISER FOUNDATION HEALTH PLANS	HD HSA INS - NOV 2016	325983	11/1/16	5,178.66
LOPEZ, T	INTERPRETATION SERVICES	325984	11/1/16	350.00
MACHADO, R	SUBSISTENCE: PEER SUPPORT TRAINING / PD	325985	11/1/16	518.84
METRO AUTO PARTS DISTRIBUTOR	MOP#75943 AUTO SUPPLIES / PW	325986	11/1/16	543.41
MOSSY NISSAN	AUTO PARTS / PW	325987	11/1/16	599.92
MOTOPOST	102300-00-CUST, MOTOPOST AIR MESH	325988	11/1/16	1,162.80
NAPA AUTO PARTS	MOP#45735 AUTO PARTS / PW	325989	11/1/16	3.24
NATIONAL CITY CHAMBER OF	NC TOURISM MA 2016	325990	11/1/16	41,013.57





**WARRANT REGISTER #18**  
**11/1/2016**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
O'REILLY AUTO PARTS	MOP#75877 AUTO SUPPLIES / PW	325991	11/1/16	236.22
PENSKE FORD	MOP#49078 AUTO SUPPLIES / PW	325992	11/1/16	373.40
POWERSTRIDE BATTERY CO INC	MOP#67839 AUTO SUPPLIES / PW	325993	11/1/16	1,193.93
POZOS CREATIVE COMMUNICATIONS	ART DESIGN FOR FLYER / STATE OF THE CITY	325994	11/1/16	540.00
PRO BUILD	MOP#45707 SUPPLIES / PW	325995	11/1/16	1,087.85
PRUDENTIAL OVERALL SUPPLY	MOP#45742 LAUNDRY SERVICES / NSD	325996	11/1/16	829.07
QUAL CHEM CORPORATION	12QTS BOTTLES FOR ETCHING RUST / PW	325997	11/1/16	663.66
RUSS' BEE REMOVAL	BEEHIVE REMOVAL / PARKS	325998	11/1/16	650.00
SCST INC	PLAZA BLVD. & 14TH ST. PROJECT	325999	11/1/16	5,492.00
SDG&E	FACILITIES DIVISION GAS & ELECTRIC UTILITIES	326000	11/1/16	68,651.82
SHERWIN WILLIAMS	MOP#77816 PAINT / NSD	326001	11/1/16	461.62
SMART & FINAL	MOP: 45756 COMMUNITY SAFETY FAIR	326002	11/1/16	44.45
SORIANO, R	CACEO TRAINING REIMBURSEMENT / NSD	326003	11/1/16	335.33
STARTECH COMPUTERS	HP LASERJET PRO PRINTER/ COMMUNITY SERVICES	326004	11/1/16	1,497.85
STEVENS, C	TUITION COMMERCIAL ENFOR TRAINING & MEAL	326005	11/1/16	124.43
SWEETWATER AUTHORITY	FACILITIES DIVISION WATER BILL FY 2017	326006	11/1/16	47,296.37
THE COUNSELING TEAM	TUITION: BASIC PEER SUPPORT TRAINING	326007	11/1/16	299.00
THE HOME DEPOT CREDIT SERVICES	SUPPLIES FOR COMMUNITY SERVICE DAY	326008	11/1/16	885.17
THE LINCOLN NATIONAL LIFE INS	LIFE & AD&D, STD, LTD INS - NOV 2016	326009	11/1/16	10,126.19
THE STAR NEWS PUBLISHING COMP	ADVERTISING IN PUBLIC NOTICES-FINANCE	326010	11/1/16	230.62
THE UNIVERSITY OF GEORGIA	INTRO GOV ACCT PART 1	326011	11/1/16	439.00
WEST TECH CONTRACTING INC	PARADISE CREEK REST. PROJECT	326012	11/1/16	98,302.09
WILLY'S ELECTRONIC SUPPLY	MOP VENDOR 00351 ELECTRONIC SUPPLIES	326013	11/1/16	242.91
YBARRA, A	EDUCATIONAL REIMBURSEMENT	326014	11/1/16	1,330.00
Z A P MANUFACTURING INC	1160 30" X 50YDS GRAFFITI FILM / PW	326015	11/1/16	1,918.90
ZUMAR INDUSTRIES INC	30X50 RED EC FILM NON PERFORATED / PW	326016	11/1/16	473.85

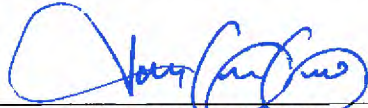
**A/P Total 979,239.32**

<b>SECTION 8 HAPS PAYMENTS</b>	<b>Start Date</b> 10/26/2016	<b>End Date</b> 11/1/2016	<b>812,008.10</b>
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**GRAND TOTAL \$1,791,247.42**

## Certification

IN ACCORDANCE WITH SECTION 37202, 37208, 372059 OF THE GOVERNMENT CODE, WE HEREBY CERTIFY TO THE ACCURACY OF THE DEMANDS LISTED ABOVE AND TO THE AVAILABILITY OF FUNDS FOR THE PAYMENT THEREOF AND FURTHER THAT THE ABOVE CLAIMS AND DEMANDS HAVE BEEN AUDITED AS REQUIRED BY LAW.

For   
\_\_\_\_\_  
MARK ROBERTS, FINANCE

\_\_\_\_\_  
LESLIE DEESE, CITY MANAGER

### FINANCE COMMITTEE

\_\_\_\_\_  
RONALD J. MORRISON, MAYOR-CHAIRMAN

\_\_\_\_\_  
JERRY CANO, VICE-MAYOR

\_\_\_\_\_  
ALEJANDRA SOTELO-SOLIS, MEMBER

\_\_\_\_\_  
MONA RIOS, MEMBER

\_\_\_\_\_  
ALBERT MENDIVIL, MEMBER

I HEREBY CERTIFY THAT THE FOREGOING CLAIMS AND DEMANDS WERE APPROVED AND THE CITY TREASURER IS AUTHORIZED TO ISSUE SAID WARRANTS IN PAYMENT THEREOF BY THE CITY COUNCIL ON THE 6<sup>th</sup> OF DECEMBER, 2016.

AYES \_\_\_\_\_

NAYS \_\_\_\_\_

ABSENT \_\_\_\_\_



The following page(s) contain the backup material for Agenda Item: Public Hearing – Conditional Use Permit for a craft beer tasting room (Embarcadero Brewing) to be located at 340 West 26th Street, Suite “D”. (Applicant: Jorge Molina) (Case File 2016-21 CUP) (Planning)

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.**

**ITEM TITLE:**

Public Hearing – Conditional Use Permit for a craft beer tasting room (Embarcadero Brewing) to be located at 340 West 26<sup>th</sup> Street, Suite "D". (Applicant: Jorge Molina) (Case File 2016-21 CUP)

**PREPARED BY:** Martin Reeder, AICP *MR*

**DEPARTMENT:** Planning

**PHONE:** 336-4313

**APPROVED BY:** 

**EXPLANATION:**

The project applicant has applied for a Conditional Use Permit (CUP) to sell beer for on-site consumption at a tasting room to be located in an existing brewing supply business located in Southport Business Center located south of Mile of Cars Way. Requested hours of operation of the tasting room are 11 a.m. to 9 p.m. Monday to Saturday. The tasting room would operate under a Type 23 (Small Beer Manufacturer) license with the California Department of Alcoholic Beverage Control (ABC). As part of the application, the applicant is asking for waiver of two conditions of approval.

The Planning Commission voted to approve the Conditional Use Permit with a recommendation to the City Council that conditions 8 and 9 be waived. Because the conditions are related to City Council Policy 707 (Alcohol licensing), only the City Council may waive or modify said conditions, thus the public hearing rather than the usual Notice of Decision.

The attached background staff report describes the proposal in detail.

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ **Finance**

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ **MIS**

**ENVIRONMENTAL REVIEW:**

Categorically Exempt pursuant to Class 1 Section 15301 (Existing Facilities)

**ORDINANCE:** ☐ **INTRODUCTION:** ☐ **FINAL ADOPTION:** ☐

**STAFF RECOMMENDATION:**

Staff recommends approval of the Conditional Use Permit

**BOARD / COMMISSION RECOMMENDATION:**

The Planning Commission denied the Conditional Use Permit.

Ayes: Baca, Bush, Flores, Garcia, Sendt, Yamane      Absent: DeLaPaz

**ATTACHMENTS:**

- |                           |                                    |
|---------------------------|------------------------------------|
| 1. Background Report      | 6. Community Meeting Information   |
| 2. Recommended Findings   | 7. Department and Agency comments  |
| 3. Recommended Conditions | 8. Census Tract & Police Beat Maps |
| 4. Overhead & Site Photos | 9. City Council Policy 707         |
| 5. Reduced Plans          | 10. Public Hearing Notice          |

## **BACKGROUND REPORT**

### **Overview**

The project applicant has applied for a Conditional Use Permit (CUP) to sell beer for on-site consumption at a tasting room to be located in an existing brewing supply business located in Southport Business Center located south of Mile of Cars Way. Requested hours of operation of the tasting room are 11 a.m. to 9 p.m. Monday to Saturday. The tasting room would operate under a Type 23 (Small Beer Manufacturer) license with the California Department of Alcoholic Beverage Control (ABC), the application for which is in process and on hold pending the CUP application decision.

### **Site Characteristics**

The project site is part of the Southport Business Center, which is located south of Mile of Cars Way and West of Hoover Avenue. The specific site is approximately 2.5 acres in size and is comprised of two buildings and 111 parking spaces. The westerly building, in which the business is located, is 21,488 square feet in size and has 16 suites.

### **Proposed Use**

The applicant is proposing to convert Suite D, a 1,013 square-foot warehouse space into a craft beer tasting room, incorporating the brewing supply store. The business will brew products offsite and will operate six days a week, Monday through Saturday from 11 a.m. to 9 p.m. The tasting room is the subject of this Conditional Use Permit (CUP) application.

The business space is currently an open floorplan with the exception of restrooms in the back left of the suite. The floor plan for the application shows the addition of a walk-in cooler and a seven-seat counter. The remainder of the floor space shows two four-seat tables and some booths along the left wall. However, the applicant has since stated that the booths will not be placed in this location, rather that brewing supplies would be placed along the wall.

The tasting room would operate under a Type 23 (Small Beer Manufacturer) license with the California Department of Alcoholic Beverage Control (ABC). A Type 23 license allows for tasting rooms at a different location than the master license, although this will be the only location for now, and may serve their own beer only. ABC does not consider a Type 23 license as a retail license; therefore, high crime rate or over concentration of licenses in the census would not apply as part of the ABC process. As a non-retail license, the purveyor would also be allowed to sell to-go beer (sold in sealed containers



often referred to as growlers). Again, only the purveyor's beer would be permitted to be sold in this fashion.

### **Analysis**

Section 18.30.050 of the National City Land Use Code allows for on and off-site alcohol sales with an approved Conditional Use Permit (CUP). Additional requirements for alcohol CUP's include expanded notification, a community meeting, and distance requirements.

**Mailing** – All property owners and occupants within a distance of 660 feet are required to be notified of a public hearing for alcohol-related CUP applications, as was done in this case. 89 notices were mailed for this public hearing. The reason for the low number is the large size of surrounding properties and that they are owned by relatively few owners.

**Community Meeting** – Pursuant to Section 18.30.050 (C), a community meeting was held Thursday, August 11, 2016 at 5:30 p.m. at the project site. With the exception of the four business owners, no other community members were in attendance. The meeting time ended at 6:30 p.m.

**Distance Requirements** – Chapter 18.030.050 (D) requires that businesses that sell alcohol as a principal use maintain a 660-foot distance from schools. The nearest schools are Kimball Elementary School and Sweetwater High School, both of which are over 2,500 feet away.

### **Food Truck**

Although not currently anticipated, tasting rooms often feature a food truck during peak times (e.g. weekends). Per Chapter 9.06.030 (C) of the Municipal Code, a food vending vehicle may park on private property, but may only sell, display or offer food or beverage product to the owner of such property or their agents, customers or employees. Should a food truck be featured in the future, operations would need to be consistent with this code section. A Condition of Approval (No. 12) has been added to require compliance with NCMC §9.06 (Food Vending Vehicles).

### **Required findings**

The Municipal Code contains required findings for Conditional Use Permits. There are six required findings:

1. The proposed use is allowable within the applicable zoning district pursuant to a Conditional Use Permit and complies with all other applicable provisions of the Land Use Code.



The use is allowable within the Light Industrial (IL) zone as a retail use, pursuant to a Conditional Use Permit, and the proposed use meets the required guidelines in the Land Use Code for alcohol sales, as discussed in the staff report.

2. The proposed use is consistent with the General Plan and any applicable specific plan.

Alcohol sales are permitted, subject to a Conditional Use Permit, by the Land Use Code, which is consistent with the General Plan. A retail beer tasting room is a use that is consistent with the IL zone, which allows retail uses. In addition, there are no Specific Plans in this area.

3. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity.

No expansion of the building is proposed. The proposal would involve standard interior tenant improvements to provide the seating and serving areas, which is consistent with other commercial businesses in the area.

4. The site is physically suitable for the type, density, and intensity of use being proposed, including access, utilities, and the absence of physical constraints.

The proposed use would be within an existing retail suite in an existing commercial/industrial building, located in an existing commercial and industrial business park. Access to and from the site is provided by Hoover Avenue, a collector street operating at a Level of Service (LOS) of C. East 8<sup>th</sup> Street in this location is operating at approximately 20% of its capacity. In addition, the sale of alcohol is not expected to result in an increase in Average Daily Trips (ADT) such that the LOS would be affected.

5. Granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located.

The sale and consumption of beer would be approximately half of overall business sales. In addition, micro-scale breweries such as what is proposed are different in that the beer is of higher quality and is generally more expensive. Because of these reasons, the clientele tends to be less interested in overconsumption and more interested in quality, which results in less negative impacts than a bar or similar may generate. In addition, the

proposed use will be subject to conditions that limit the sale of alcohol and restrict the hours that it will be available.

6. The proposed project has been reviewed in compliance with the California Environmental Quality Act.

Staff has determined that the proposed use is categorically exempt from environmental review pursuant to Class 1 Section 15301 (Existing Facilities) for which a Notice of Exemption will be filed subsequent to approval of this Conditional Use Permit. The reason for the exemption is that no expansion of the building is proposed and use of the building would be the same as non-conditionally allowed uses (commercial and retail enterprises), which would otherwise be permitted by right and not subject to CEQA.

7. That the proposed use is deemed essential and desirable to the public convenience or necessity.

The alcohol sales will contribute to the viability of an existing brewing supply business, an allowed use in the IL zone. The tasting room, as part of the retail business, would be a draw for area and non-area residents alike. The tasting room would also help to activate the area and to contribute to the regional craft beer industry.

#### **Department and Agency Comments**

**Alcohol Sales Concentration/Location** – Per ABC, there are currently ten on-sale permits issued in the subject census tract (219). These permits are:

<b>Name</b>	<b>Address</b>	<b>License Type*</b>
Aunt Emma's Pancakes	214 National City Blvd	41
Club 13	640 Civic Center Dr	40
Stoney's Bar & Grill	108 W 25 <sup>th</sup> St	47
Papa Gallo Café	1930 Cleveland Ave	41
The Waterfront Grill	3201 Marina Way	47
Chipotle Mexican Grill	404 Mile of Cars Way	41
Goodies Bar & Grill	740 Bay Marina Dr	47
Goody's Sushi & Grill	2424 Hoover Ave	41
Clarion National City	700 National City Blvd	47
Eagles Aerie 2712	1131 Roosevelt Ave	51

- \* Type 40 - On-Sale Beer
- Type 41 - On-Sale Beer and Wine for Bona Fide Public Eating Place
- Type 47 - On-Sale General for Bona Fide Public Eating Place
- Type 51 - Club

Eight of the other on-sale licenses are restaurants, one is a bar, and the other a fraternal organization.

Census tract 219 is comprised of the whole west side of the City from National City Blvd. to San Diego Bay. The attached census tract map shows the location of the subject tract. ABC recommends a total of eight on-sale alcohol permits be issued in this census tract, where ten exist. Although the census tract is over-concentrated, the licenses are spread out over a large geographic area.

#### Police Department

Consistent with recent policy, PD provided a Risk Assessment report on the property. The assessment assigns points based on the type of business, license concentration, and calls for service (among others) and ranks the business according to potential risk (low, medium, or high). In this case, Embarcadero Brewing received 13 points, which would indicate a medium risk (13-18 points). The Risk Assessment is attached.

#### Institute for Public Strategies (IPS)

The Institute for Public Strategies provided comments on the proposed CUP application. They recommend that if the CUP is approved that training be provided for all owners, management, and staff (covered under condition no. 7). Comments are attached for your review.

#### Conditions of Approval

Standard Conditions of Approval have been included with this permit, as well as conditions specific to on-sale alcohol sales per Council policy 707 (hours of operation, employee training, accessory sales, etc.).

The applicant is requesting the waiver of the following two conditions:

8. The sale of alcohol shall not exceed gross sales of all other commodities during the same period. The applicant shall at all times keep records which reflect separately the gross sales of alcoholic beverages and the gross sales of all other items. Said records shall be kept no less frequently than on a quarterly basis and shall be made available to the City Finance Department and any Peace Officer of the California Department of Alcoholic Beverage Control upon demand.
9. Alcohol shall be available only in conjunction with the purchase of food.

The reason for the request is because although there will still be a retail brewing supply business on site, sales of alcohol for consumption on site would be the primary activity and will likely exceed the sales of other items. Additionally, no food would be served at

the business. If the Planning Commission is amenable to the waiver of the specific Conditions of Approval (No. 8 and 9), said recommendation should be part of the motion to approve (see "Options").

All conditions contained in Council policy 707 are required for new alcohol CUP's. Only the City Council may waive a policy condition, although it would be pertinent for the Planning Commission to make a recommendation one way or the other in the case of a waiver request. In order for the Council to waive or modify a condition, they would need to hold another public hearing after the Planning Commission makes its decision.

### **Staff Recommendation**

Staff is recommending approval of this CUP request and is supportive of the condition waiver request (Conditions 8 and 9) in that only a Type 23 licensee would be permitted at this location under this CUP. If a retail license (restaurant, bar, etc.) request was received, a modification of this CUP would be required. Staff is of the opinion that craft beer sales would contribute to the regional craft beer industry and spur similar uses in the City, which could create a draw to National City and benefit other area businesses from additional exposure.

### **Planning Commission Action**

Planning Commission conducted a public hearing on November 7, 2016. The Commission asked questions related to closing times, food truck regulations, and conditions of approval. The Planning Commission voted to approve the Conditional Use Permit with a recommendation to the City Council that conditions 8 and 9 be waived. Because the conditions are related to City Council Policy 707 (Alcohol licensing), only the City Council may waive or modify said conditions, thus tonight's public hearing rather than the usual Notice of Decision.

### **Summary**

The proposed use is consistent with the General Plan, because the proposed retail beer tasting room is a use that is consistent with the IL zone, which allows retail uses. The use is also consistent with other commercial businesses in the area. The business will be subject to standard conditions of approval along with those in Council policy 707 related to alcohol sales. The applicant is requesting the waiver of two of the conditions in the Policy (No's. 8 and 9), which staff is supporting. The proposed use will be subject to conditions that limit the sale of alcohol and restrict the hours that it will be available, and would be a draw for area and non-area residents alike. The tasting room would also help to activate the area and to contribute to the regional craft beer industry.



## **RECOMMENDED FINDINGS FOR APPROVAL**

2016-21 CUP – 341 West 26<sup>th</sup> Street

1. The proposed use is allowable within the applicable zoning district pursuant to a Conditional Use Permit and complies with all other applicable provisions of the Land Use Code, because the Land Use Code specifies alcohol sales as a conditionally-allowed use in the Light Industrial (IL) zone, and the proposed use meets the required guidelines in the Land Use Code for alcohol sales, as discussed in the staff report.
2. The proposed use is consistent with the General Plan and any applicable specific plan, because alcohol sales are permitted, subject to a Conditional Use Permit, by the Land Use Code, which is consistent with the General Plan. A retail beer tasting room is a use that is consistent with the IL zone, which allows retail uses. In addition, there are no Specific Plans in this area.
3. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity, because no expansion of the building is proposed.
4. The site is physically suitable for the type, density, and intensity of use being proposed, including access, utilities, and the absence of physical constraints, because the proposed use would be within an existing retail suite in an existing commercial/industrial building, located in an existing business park, and because access to and from the site is provided by Hoover Avenue, a collector street operating at a passing Level of Service (LOS) of C and below capacity; the project is not expected to result in an increase in Average Daily Trips (ADT) such that the LOS would be affected.
5. Granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located, because the sale and consumption of beer would be approximately half of overall business sales. In addition, micro-scale breweries such as what is proposed are different in that the beer is of higher quality and is generally more expensive. Because of these reasons, the clientele tends to be less interested in overconsumption and more interested in quality, which results in less negative impacts than a bar or similar. In addition, the proposed use will be subject to conditions that limit the sale of alcohol and restrict the hours that it will be available.

6. The proposed project has been reviewed in compliance with the California Environmental Quality Act, because staff has determined that the proposed use is categorically exempt from environmental review pursuant to Class 1 Section 15301 (Existing Facilities) for which a Notice of Exemption will be filed subsequent to approval of this Conditional Use Permit. The reason for the exemption is that no expansion of the building is proposed and use of the building would be the same as non-conditionally allowed uses (commercial and retail enterprises).
7. That the proposed use is deemed essential and desirable to the public convenience or necessity, because the alcohol sales will contribute to the viability of an existing brewing supply business, an allowed use in the IL zone. The tasting room, as part of the retail business, would be a draw for area and non-area residents alike. The tasting room would also help to activate the area and to contribute to the regional craft beer industry.
8. That based on findings 1 through 7 above, public convenience and necessity will be served by a proposed use of the property for the retail sales of alcoholic beverages pursuant to law.

## **RECOMMENDED CONDITIONS OF APPROVAL**

2016-21 CUP – 341 West 26<sup>th</sup> Street

### **General**

1. This *Conditional Use Permit* authorizes a beer tasting room at 341 West 26<sup>th</sup> Street, including sales of sealed containers (commonly known as growlers) for off-site consumption (per ABC Type 23 license regulations). Only beer produced by the master licensee under a Type 23 (small beer manufacturer) license may be sold and/or consumed at this location. The serving and consumption of alcoholic beverages shall be limited to an area in substantial conformance with Exhibit A, Case File No. 2016-21 CUP, dated 8/16/2016.
2. This permit shall become null and void if not exercised within one year after adoption of the Resolution of approval unless extended according to procedures specified in the Municipal Code.
3. This permit shall expire if the use authorized by this resolution is discontinued for a period of 12 months or longer. This permit may also be revoked, pursuant to provisions of the Land Use Code, if discontinued for any lesser period of time.
4. This *Conditional Use Permit* may be revoked if the operator is found to be in violation of Conditions of Approval.
5. Before this *Conditional Use Permit* shall become effective, the applicant and the property owner both shall sign and have notarized an Acceptance Form, provided by the Planning Department, acknowledging and accepting all conditions imposed upon the approval of this permit. Failure to return the signed and notarized Acceptance Form within 30 days of its receipt shall automatically terminate the *Conditional Use Permit*. The applicant shall also submit evidence to the satisfaction of the Executive Director that a Notice of Restriction on Real Property is recorded with the County Recorder. The applicant shall pay necessary recording fees to the County. The Notice of Restriction shall provide information that conditions imposed by approval of the *Conditional Use Permit* are binding on all present or future interest holders or estate holders of the property. The Notice of Restriction shall be approved as to form by the City Attorney and signed by the City Manager or designee prior to recordation.

### **Planning**

6. Alcohol sales shall be limited to the hours of 11 a.m. to 9 p.m. Monday to Saturday.
7. All sellers and servers of alcohol shall receive Responsible Beverage Service and Sales (RBSS) training, including all owners, and managers. The RBSS training must be certified by the Department of Alcoholic Beverage Control (ABC). Proof of completion of an approved RBSS program must be provided prior to issuance of a

city business license. As part of the RBSS training, the permittee shall make available a domestic violence training session as provided by the Institute of Public Strategies.

8. The sale of alcohol shall not exceed gross sales of all other commodities during the same period. The applicant shall at all times keep records which reflect separately the gross sales of alcoholic beverages and the gross sales of all other items. Said records shall be kept no less frequently than on a quarterly basis and shall be made available to the City Finance Department and any Peace Officer of the California Department of Alcoholic Beverage Control upon demand (applicant requesting removal of this condition).
9. Alcohol shall be available only in conjunction with the purchase of food (applicant requesting removal of this condition).
10. The consumption of alcoholic beverages is prohibited outside of the building. The permittee shall post signs, to be approved by the Planning Department, at the entrances and exits to the building prohibiting consumption of alcohol beyond those points. Said signs shall not be less than 17 by 22 inches in size, with lettering not less than one inch in height. The signs shall read as follows:
  - a. "No consumption of alcohol is allowed beyond this point."
  - b. "No open alcoholic beverage containers are allowed beyond this point."
11. All activities shall abide by the limitations contained in Table III of Title 12 (Noise) of the National City Municipal Code.
12. All activities involving the sale of food from a food truck or similar apparatus shall be consistent with Chapter 9.06 (Food Vending Vehicles) of the National City Municipal Code.
13. The proposed alcohol sales, service, and consumption shall abide by all applicable rules and regulations as stated by the California Department of Alcoholic Beverage Control (ABC). In the case that any of these conditions violate any laws, rules, or regulations administered by ABC, the laws, rules, or regulations shall govern.

#### Police

14. Permittee shall comply with all regulatory provisions of the Business and Professions Code that pertain to the sale, serving, and consumption of alcoholic beverages.

#### Fire

15. Plans submitted for improvements must comply with the current editions of the California Fire Code (CFC) and National Fire Protection Association (NFPA).



16. Fire alarm and fire sprinkler systems shall be evaluated and installed for the intended use per code. An automatic sprinkler system may be required if an A-2 occupancy load exceeds 100 or more.
17. Please contact the National City Fire Department for information on a liquid carbon dioxide alarm system, which may be required for this business.

2016-21 CUP – Embarcadero Brewing – Overhead





Looking southwest from Parking Lot



Looking south at front of suite





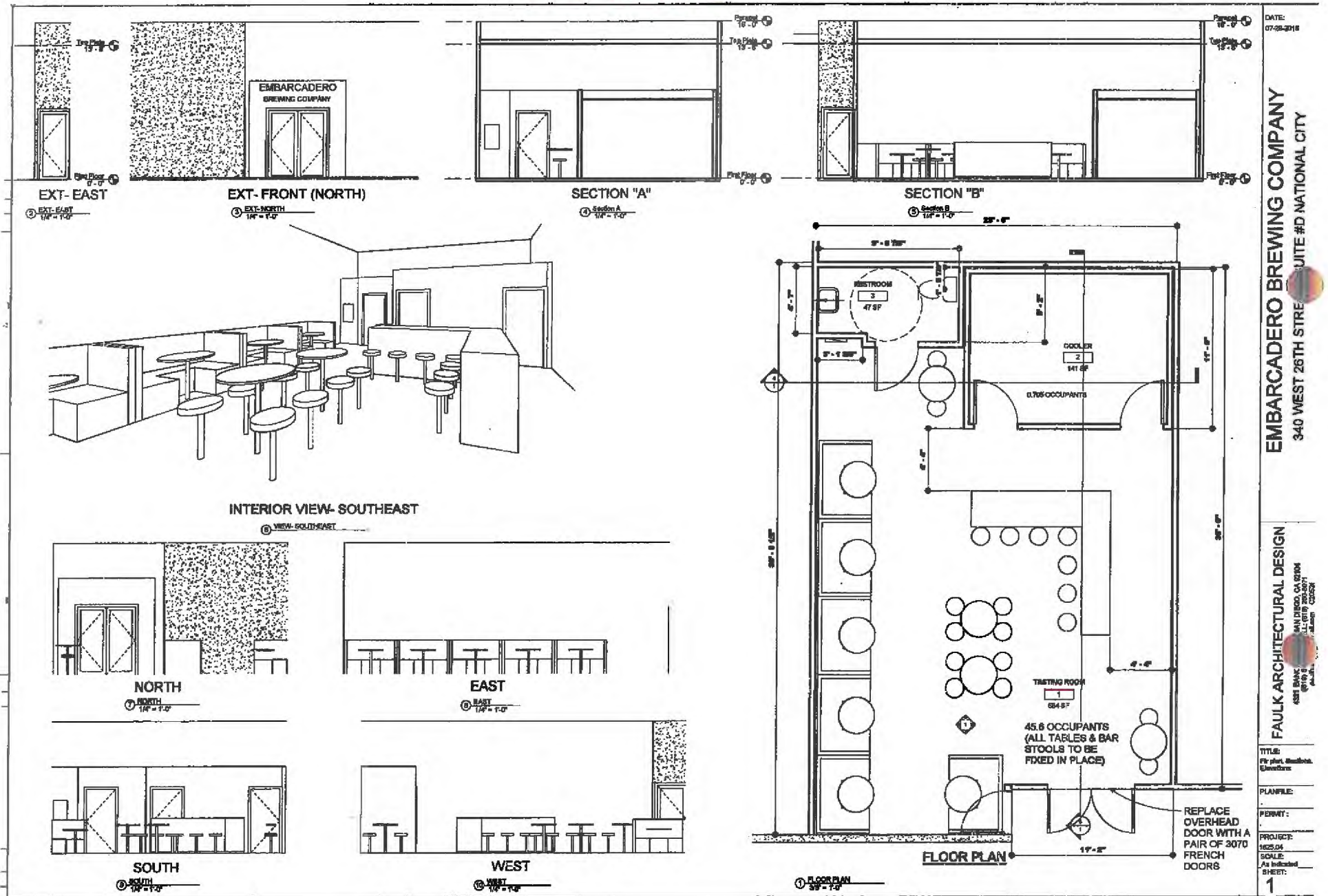
Looking south into suite



Interior showing approximate counter location



EXHIBIT: **A**  
CASE FILE NO.: 2016-21 *cur*  
DATE: 8/16/2016





## Embarcadero Brewing and Supply Company

**Craft Beer Tasting Room – Public Meeting**

**Thursday August 11, 2016 @ 5:30-6:30pm**

**340 West 26<sup>th</sup> Street, Suite D  
National City, CA 91950  
[www.embarcaderobrewing.com](http://www.embarcaderobrewing.com)**

Dear Residents and Business Owners,

Embarcadero Brewing and Supply Company (EBSC) is excited to announce the future opening of our craft beer tasting room located at:

**340 West 26<sup>th</sup> Street, Suite D  
National City, CA 91950**

In compliance with the National City Conditional Use Permit (CUP) requirement, we're notifying all residents and business owners surrounding the area with our proposal to sell our craft beer at the specified location. Embarcadero would like to invite you to a community meeting on **Thursday August 11, 2016 from 5:30-6:30pm** to discuss the proposal and address any questions or concerns at the address listed above.

If you have any questions or concerns prior to the meeting, please reach us at (619) 336-1856 or via email at [ebc.brewing@gmail.com](mailto:ebc.brewing@gmail.com).

Best Regards,

Embarcadero Brewing and Supply Company

Arturo Pena – Owner  
Gustavo Molina – Owner  
Jorge Molina – Owner  
Marco Pena - Owner



# MEETING SIGN-IN SHEET


**Project:** Embarcadero Brewing and Supply Company

**Meeting Date:** August 11, 2016

**Facilitator:** Art Pena, Gustavo Molina, Jorge Molina, Marco Pena

**Place/Room:** 340 W26th Suite D, National City

[illegible]



# Embarcadero Brewing and Supply Company Meeting Minutes August 11, 2016

- 5:30pm – started meeting
- 5:40pm -roll call
- 6:00pm – zero attendees
- 6:25pm – zero attendees
- 6:30pm – meeting closed





**NATIONAL CITY POLICE DEPARTMENT**  
**ALCOHOL BEVERAGE CONTROL**  
**RISK ASSESSMENT**

DATE: 10/20/2016

BUSINESS NAME: Embarcadero Brewing Company

ADDRESS: 340 West 26th Street, National City, CA 91950

OWNER NAME: Jorge Molina DOB: 03/11/1976

OWNER ADDRESS: 2020 "J" Avenue, National City, CA 91950

(add additional owners on page 2)

**I. Type of Business**

- Restaurant (1 pt)
- Market (2 pts)
- Bar/Night Club (3 pts)
- ✓ Tasting Room (1pt)

**II. Hours of Operation**

- Daytime hours (1 pt)
- ✓ Close by 11pm (2 pts)
- Close after 11pm (3 pts)

**III. Entertainment**

- Music (1 pt)
- Live Music (2 pts)
- Dancing/Live Music (3 pts)
- ✓ No Entertainment (0 pts)

**IV. Crime Rate**

- Low (1 pt)
- ✓ Medium (2 pts)
- High (3 pts)

**V. Alcohol Businesses per Census Tract**

- Below (1 pt)
- Average (2 pts)
- ✓ Above (3 pts)

Notes:

**VI. Calls for Service at Location (for previous 6 months)**

- Below (1 pt)  
✓ Average (2 pts)  
Above (3 pts)

**VII. Proximity Assessment (1/4 mile radius of location)**

- ✓ Mostly commercial businesses (1 pt)  
Some businesses, some residential (2 pts)  
Mostly residential (3 pts)

Low Risk ( 12pts or less)  
Medium Risk (13 – 18pts)  
High Risk (19 – 24pts)

**Total Points** 13

**VIII. Owner(s) records check**

- No criminal incidents (0 pts)  
✓ Minor criminal incidents (2 pts)  
Multiple/Major criminal incidents (3 pts)

OWNER NAME: \_\_\_\_\_ DOB: \_\_\_\_\_

OWNER ADDRESS: \_\_\_\_\_

OWNER NAME: \_\_\_\_\_ DOB: \_\_\_\_\_

OWNER ADDRESS: \_\_\_\_\_

**Recommendation:**

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Completed by: Sergeant Shephard Badge ID: 402



## **Environmental Scan for Alcohol License C.U.P.**

### **Craft Beer Tasting and Homebrew Supply Store**

340 West 26<sup>th</sup> Street, National City, CA 91950

August 23, 2016



Photo of empty building for Craft Beer Tasting and Homebrew Supply Store in National City



Google Earth View of 340 West 26<sup>th</sup> Street and Surrounding Area

This environmental scan is for a Conditional Use Permit for a Craft Beer Tasting Room and Homebrew Supply Store to be located at 340 West 26<sup>th</sup> Street in National City. The business is located east of the 5 Freeway and west of National City Blvd. in National City. An environmental scan was conducted on Tuesday, August 23, 2016.

The proposed Craft Beer Tasting Room and Homebrew Supply Store will be located in an existing industrial building with multiple suites on the southeast corner of Southport Way and West 26<sup>th</sup> Street in a Light Industrial (IL) zone. The applicant is proposing to convert Suite D, a 1,013 square feet warehouse space, into a craft beer tasting room and a homebrew supply store. The business will brew products offsite and will operate six days a week, Monday through Saturday from 11:00 a.m. to 9:00 p.m.

During a scan of the business and property the following was noted:

There are currently 3 on-sale alcohol retail business within a block and ½ of the proposed site.

The business is located in an area with other local businesses in the immediate area.



## Youth Sensitive Areas

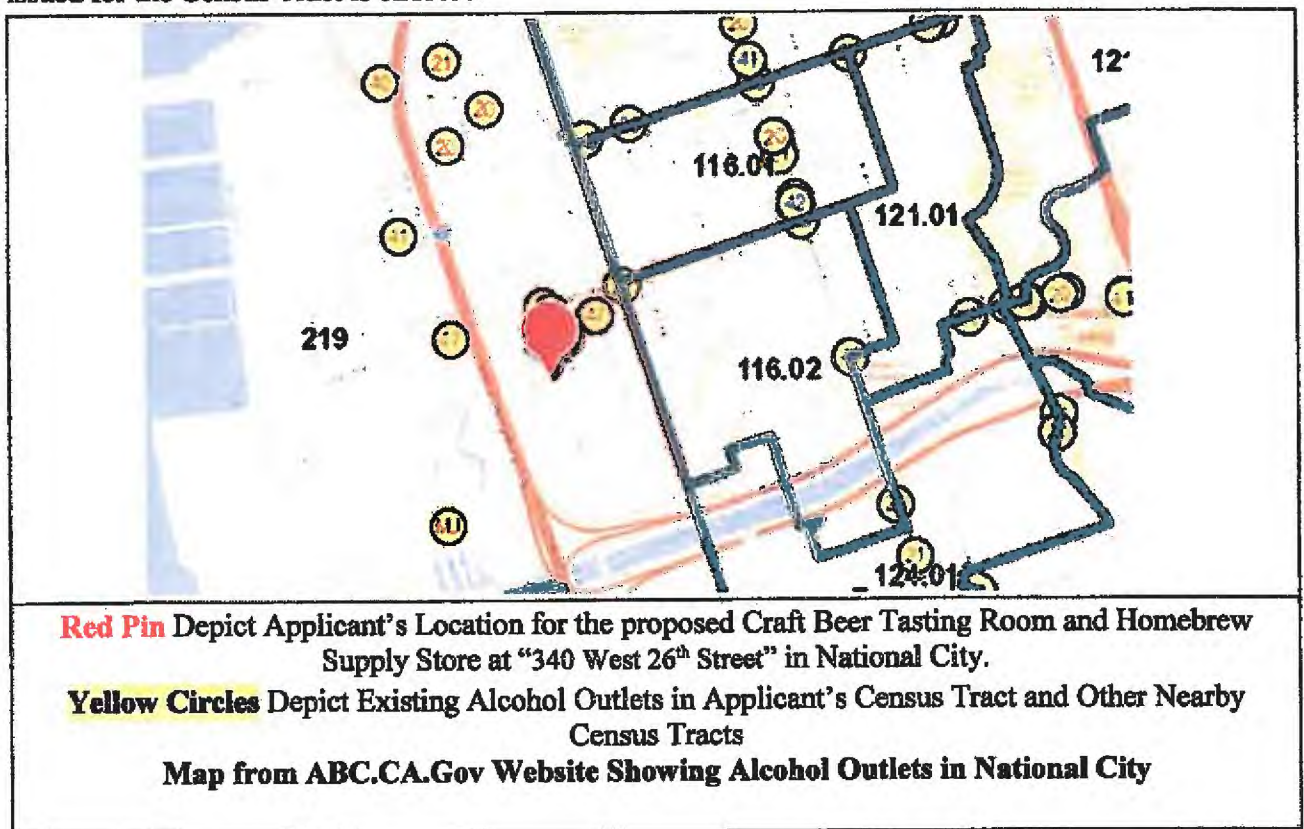
The business is not located near any youth sensitive areas.

## Churches

The business is not located near any youth sensitive areas.

## Outlet Density

According to the ABC, eight (8) on-site licenses are authorized for Census Tract 0219.00, the census track within the area of which 340 West 26<sup>th</sup> Street is located. Currently there are ten (10) on-sale licenses issued for the Census Tract is 0219.00.





### **Census Tracts**

	<b>Off-Sale</b>	<b>On-Sale</b>
<b>Tract 0219.00</b> <i>Establishment is within this tract</i>	Allowed: 4 Actual: 6 Number Above/Below Allowable: - +2	Allowed: 8 Actual: 10 Above/Below: +2
<b>Neighboring Census Tracts</b>		
Tract 0116.01	Allowed: 3 Actual: 3 Number Above/Below Allowable: --	Allowed: 7 Actual: 9 Above/Below: +2

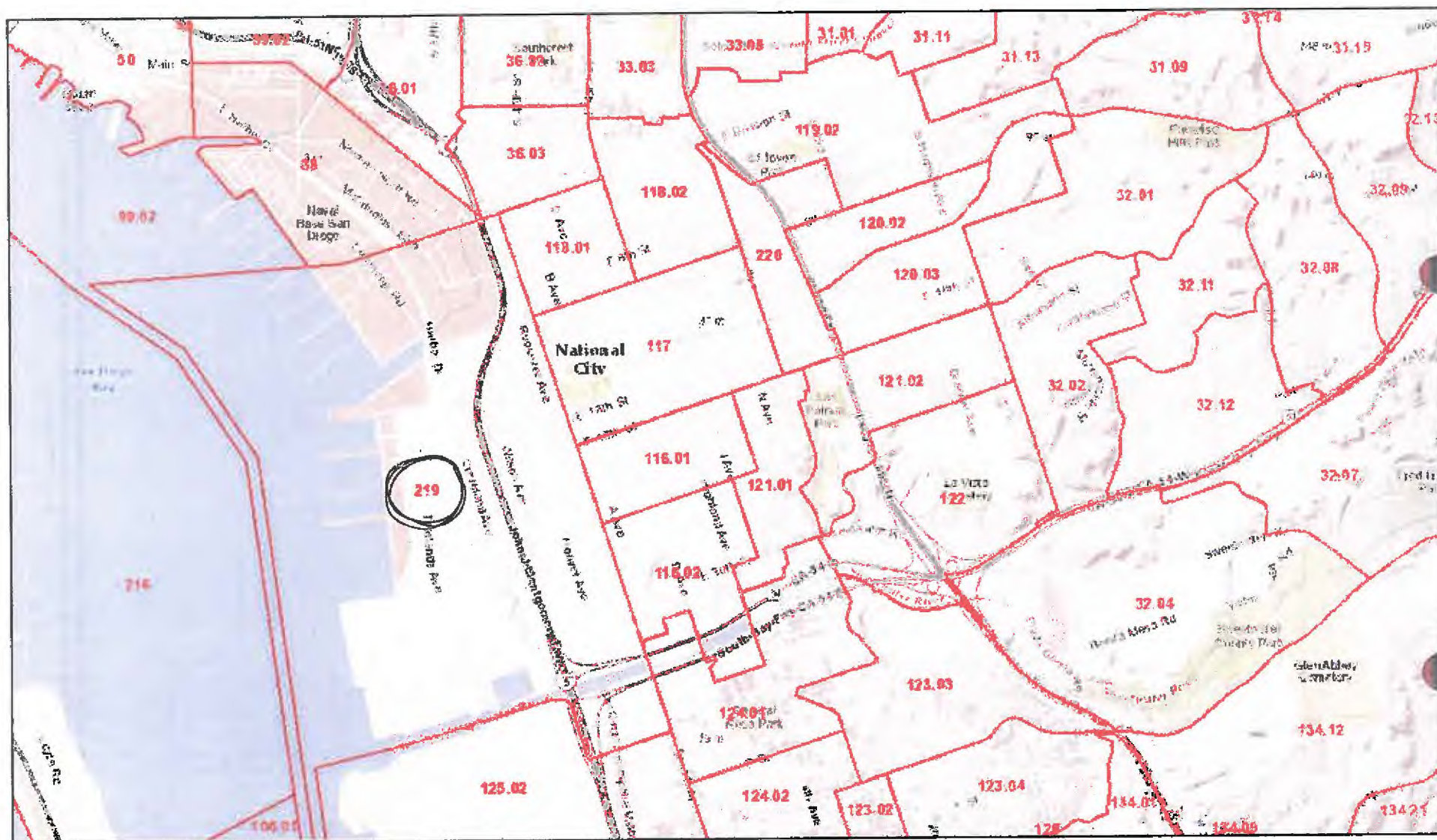
### **Crime Rate**

Refer to National City Police Department for crime data.

### **Considerations**

Should a CUP be issued we would recommend that:

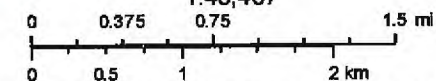
Staff, management, and owner be required to attend the Responsible Beverage Sales and Service training.



August 25, 2014

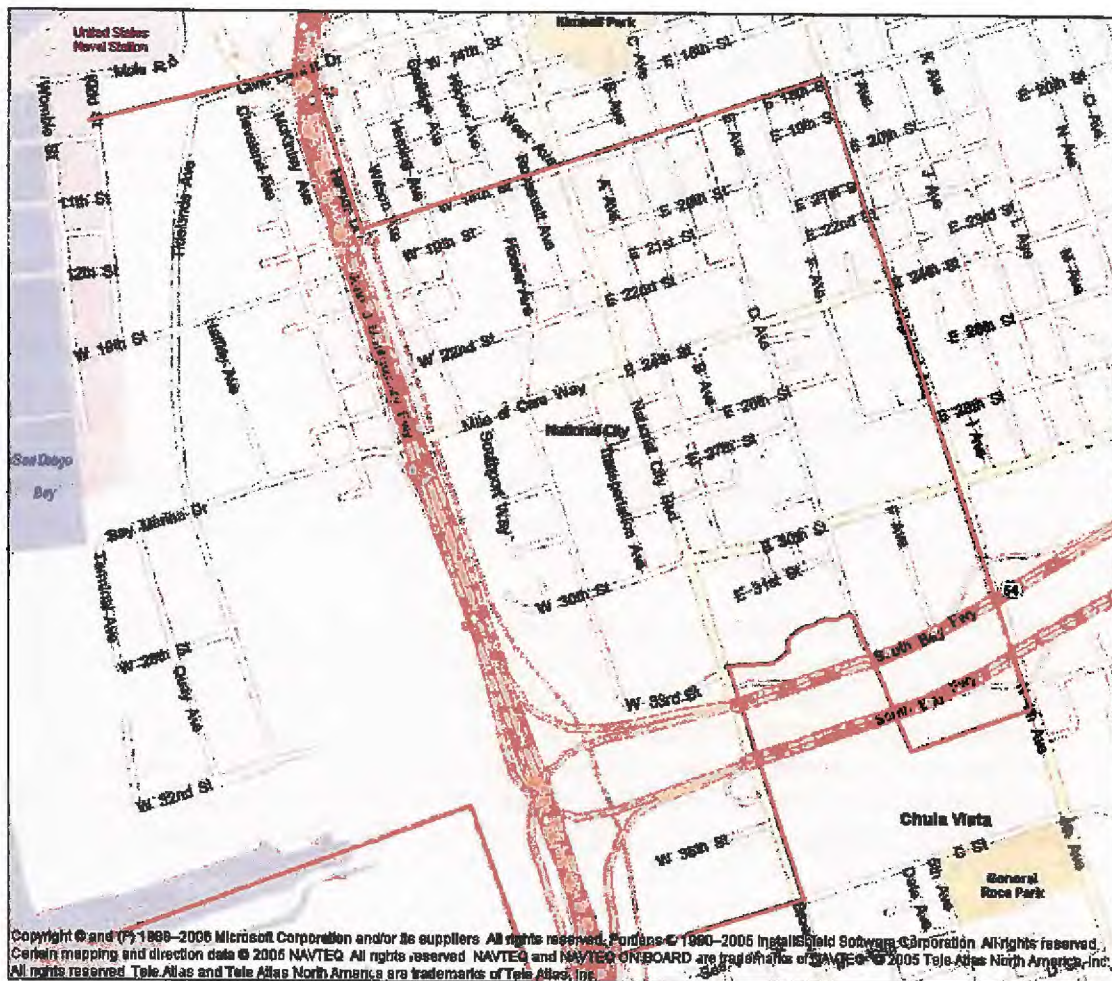
Census Tracts 2010

1:45,467



Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community





## City of National City Beat 24

Source: Microsoft Mappoint  
NCPD CAU, 4/18/07

# CITY COUNCIL POLICY

**TITLE:** Alcohol Beverage License Application Review Process and Alcohol Conditional Use Permit Standards.

**POLICY NUMBER:** 707

**ADOPTED:** November 12, 1991 **AMENDED OR REVISED:** August 16, 2011

**PURPOSE/BACKGROUND:**

To streamline the process of alcohol license application review to ensure timely staff responses and/or protests to the Department of Alcoholic Beverage Control regarding these applications.

The City Municipal Code requires Conditional Use Permits for the sale of alcohol. Such land use regulation is designed to ensure that the health, safety and welfare of the community do not become negatively impacted. In order to minimize any potential adverse effects of alcohol sales for both on and off-site consumption, including public drunkenness, disorderly conduct, illegal sales or domestic violence, the City adopts conditions of approvals and enact policies designed to protect the public from such effects. The following sets forth the City Council's policy on the applicable alcohol standards for Conditional Use Permit applications for both on and off-sale alcohol sales, as well as the Department of Alcoholic Beverage Control application notification requirements.

**POLICY:**

The Department of Alcoholic Beverage Control (ABC) sends copies of all alcoholic beverage license applications to the Police Department. The City has thirty days from the date of the ABC mailing to provide comments to the ABC. If no protests are received within that time period, the ABC issues the license.

The Police Department is responsible for ensuring that an appropriate Conditional Use Permit (CUP) exists for the applicant business. If such a CUP exists, the copy of the application is simply filed by the Police Department in the existing file with the notation that there were no objections to the issuance of the license. If it is a new (in the case of an "original" license application) or expanding business or one seeking a license to effect a premises transfer, and no CUP exists, the Police Department is responsible for sending a letter to the ABC protesting the issuance of the license until a CUP is issued by the City.

Whenever such a protest letter is sent to the ABC, that agency notifies the applicant that they must begin the process of obtaining a CUP with the City's



Planning Department and that the issuance of the alcoholic beverage license will be delayed until such time as the protest is withdrawn.

Once a CUP has been issued, the Planning Department notifies the Police Department of that issuance and it is then the responsibility of the Police Department to notify the ABC that the protest is withdrawn.

The CUP application, approval and issuance process is such that it provides all the checks, balances and controls necessary to ensure that businesses seeking alcoholic beverage licenses are in compliance with local standards.

These conditions of approval shall apply to all new Conditional Use Permits (CUP's) for the sale of alcohol for on and/or off-site consumption and modifications of existing CUPs for such sales as specified by the preceding parenthetical references with each condition. These references specify to which type of alcohol CUP being applied for the conditions would apply to – on-sale (restaurant, bar, etc.) or off-sale (market, grocery store, etc.). Regulation of these conditions and allowances shall be enforced through the Conditional Use Permit process, specifically conditions of approval to read as follows:

1. **(off-sale alcohol)** The sale of beer or malt beverages in quantities of quarts, 22 ounce, 32 ounce, 40 ounce, or similar size containers is prohibited.
2. **(off-sale alcohol)** No beer products shall be sold of less than manufacturer's pre-packaged three-pack quantities of 24 ounce cans per sale. There shall be no sale of single cans or bottles.
3. **(off-sale alcohol)** No sale of wine or distilled spirits shall be sold in containers of less than 750 milliliters. The sale of wine with an alcoholic content greater than 15% by volume is prohibited.
4. **(off-sale alcohol)** Flavored malt beverages, also known as premium malt beverages and flavored malt coolers, and sometimes commonly referred to as wine coolers, may be sold only by four-pack or other manufacturer's pre-packaged multi-unit quantities.
5. **(off-sale alcohol)** The consumption of alcoholic beverages is prohibited on the subject premises, and on all parking lots and outbuildings and any property or adjacent property under the control of the applicant.
6. **(off-sale alcohol)** All cups and containers shall be sold at or above prevailing prices and in their original multi-container packages of no fewer than 12, and no cups and containers shall be given free of charge.
7. **(off-sale alcohol)** Ice may be sold only at or about prevailing prices in the area and in quantities of not less than three pounds per sale. Ice shall not be provided free of charge.
8. **(off-sale alcohol)** The display of alcoholic beverages shall be limited to an area in substantial conformance with Exhibit \_\_, Case File No. \_\_, dated \_\_.



9. **(off-sale alcohol)** Permittee shall post signs on the exterior building walls in compliance with Chapter 10.30.070 of the National City Municipal Code. Additionally, the permittee shall post signs, to be approved by the Planning Department, at each entrance to the applicant's premises and parking lot, prohibiting loitering and consumption of alcohol on the premises and adjacent property under his control. Said signs shall not be less than 17 by 22 inches in size, with lettering not less than one inch in height. The signs shall read as follows:
- a. "No open alcoholic beverage containers are allowed on these premises."
  - b. "No loitering is allowed."
10. **(off-sale alcohol)** Containers of distilled spirits may not be stored on the premises, after being sold to patrons, for the purpose of later consumption.
11. **(off-sale alcohol)** Exterior advertising and signs of all types, promoting or indicating the availability of alcoholic beverages, including advertising/signs directed to the exterior from within, are prohibited. Interior displays of alcoholic beverages and signs, which are clearly visible to the exterior, shall constitute a violation of this condition.
12. **(off-sale alcohol)** The quarterly gross sales of alcoholic beverages shall not exceed the gross sales of all other commodities during the same period. The applicant shall at all times keep records which reflect separately the gross sales of alcoholic beverages and the gross sales of all other items. Said records shall be kept no less frequently than on a quarterly basis and shall be made available to the City Finance Department and any Peace Officer of the California Department of Alcoholic Beverage Control upon demand.
13. **(on and off-sale alcohol)** All sellers and servers of alcohol shall receive Responsible Beverage Service and Sales (RBSS) training, including all owners, and managers. The RBSS training must be certified by the Department of Alcoholic Beverage Control (ABC). Proof of completion of an approved RBSS program must be provided prior to issuance of a city business license. As part of the RBSS training, the permittee shall make available a domestic violence training session as provided by the Institute of Public Strategies.
14. **(on-sale alcohol)** The sale of alcohol shall not exceed the sale of food. With the annual renewal of the City business license, the business proprietor shall submit a statement clearly indicating total alcoholic beverage sales and total food sales. Said statement shall be subject to audit and verification by employees of the City, who are authorized to examine, audit and inspect such books and records of the license, as may be necessary in their judgment to verify that the sale of alcohol does not exceed the sale of food. All information obtained by an investigation of records shall remain confidential.
15. **(on-sale alcohol)** Alcohol shall be available only in conjunction with the purchase of food.

16. ***(on-sale alcohol with patio)*** Permittee shall post signs in the patio dining area, including all exits to outdoor seating areas, indicating that alcoholic beverages must be consumed inside the restaurant or patio area and may not be taken off-premises.

The sale of three-packs of 24-oz cans of beer shall apply retroactively to all existing off-sale CUPs where a condition exists limiting sales to no less than six-pack quantities. However, businesses wishing to avail themselves of this modification must conform with all regulations of the Department of Alcoholic Beverage Control (ABC).

The Council may, at its sole discretion, choose to waive or modify any of the above conditions.



**CITY OF NATIONAL CITY  
Office of the City Clerk**

1243 National City Blvd., National City, California 91950  
619-336-4228 phone / 619-336-4229 fax

Michael R. Dalla, CMC - City Clerk

## **NOTICE OF PUBLIC HEARING**

**NOTICE IS HEREBY GIVEN** that the City Council of the City of National City will hold a Public Hearing after the hour of 5:00 p.m., **Tuesday, December 6, 2016**, in the City Council Chambers, Civic Center, 1243 National City Blvd., National City, CA., to consider:

**CONDITIONAL USE PERMIT FOR A  
CRAFT BEER TASTING ROOM  
TO BE LOCATED AT 340 WEST 26<sup>TH</sup> STREET, SUITE D**

The Planning Commission conducted a public hearing at their meeting of November 7, 2016 and voted to recommend approval of the Conditional Use Permit by a vote of 5 to 1 with one member absent.

Anyone interested in this matter may appear at the above time and place and be heard.

If you challenge the nature of the proposed action in court, you may be limited to raising only those issues you or someone else raised at the Public Hearing described in this notice, or in written correspondence delivered to the undersigned, or to the City Council of the City of National City at, or prior to, the Public Hearing.

November 23, 2016

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Michael R. Dalla, CMC  
City Clerk



The following page(s) contain the backup material for Agenda Item: Public Hearing – Proposed Street Vacation of a segment of “A” Avenue located south of East 28th Street and north of East 29th Street. \*Hearing reopened at City Council Meeting of September 6, 2016\* (Applicant: Frank Motors) (Case File No. 2013-23 SC) (Pl

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.** \_\_\_\_\_

**ITEM TITLE:**

Public Hearing – Proposed Street Vacation of a segment of “A” Avenue located south of East 28<sup>th</sup> Street and north of East 29<sup>th</sup> Street. **\*Hearing reopened at City Council Meeting of September 6, 2016\*** (Applicant: Frank Motors) (Case File No. 2013-23 SC).

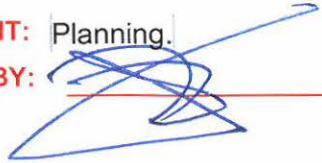
**PREPARED BY:** Martin Reeder, AICP



**DEPARTMENT:** Planning

**PHONE:** 619-336-4313

**APPROVED BY:** \_\_\_\_\_



**EXPLANATION:**

The applicant proposes to vacate “A Avenue south of East 28<sup>th</sup> Street to mid-block (where East 29<sup>th</sup> Street was historically located). The area to be vacated is proposed to be incorporated into a new Subaru vehicle dealership.

City Council held multiple public hearings between December 16, 2014 and June 21, 2016. At the June 21<sup>st</sup> hearing the City Council closed the public hearing and asked staff to bring back a resolution for denial of the street vacation request based on current and prospective public use. At the Council meeting of August 2<sup>nd</sup>, a vote to adopt the denial resolution failed, at which time the Council asked staff to bring back a subsequent resolution to approve the vacation request. On August 16<sup>th</sup>, adoption of the resolution failed for lack of a second. The City Council asked staff to return with a second denial resolution at a subsequent meeting. At the meeting of September 6<sup>th</sup>, the Council voted to reopen the public hearing and asked the applicant to provide additional traffic impact analysis.

The attached background report describes the project and previous action in detail.

**FINANCIAL STATEMENT:**

**ACCOUNT NO.** \_\_\_\_\_

**APPROVED:** \_\_\_\_\_ **Finance**

**APPROVED:** \_\_\_\_\_ **MIS**

**ENVIRONMENTAL REVIEW:**

Exempt pursuant to CEQA, Section 15305 (Minor Alterations in Land Use Limitations)

**ORDINANCE:** INTRODUCTION: ☐

**FINAL ADOPTION:** ☐

**STAFF RECOMMENDATION:**

Close the public hearing and direct staff to return with a resolution taking action on the street vacation request.

**BOARD / COMMISSION RECOMMENDATION:**

The Planning Commission determined the Street Vacation request complies with the General Plan.

Vote: Ayes – Alvarado, Baca, Bush, DeLaPaz, Flores, Garcia, Pruitt

**ATTACHMENTS:**

- |                           |                          |
|---------------------------|--------------------------|
| 1. Location Map           | 4. Project Plans         |
| 2. Background Report      | 5. Traffic Study         |
| 3. Recommended Conditions | 6. Public Hearing Notice |





Vacation Area



Zone Boundary



0 55 110 220 Feet

APN:  
vacation (n/a)

## Planning Commission Location Map

2013-23 SC

## **BACKGROUND REPORT**

### **Previous Action**

The City Council held multiple public hearings between December 16, 2014 and June 21, 2016. At the June 21<sup>st</sup> hearing the City Council closed the public hearing and asked staff to bring back a resolution for denial of the street vacation request based on current and prospective public use. At the Council meeting of August 2<sup>nd</sup>, a vote to adopt the denial resolution failed, at which time the Council asked staff to bring back a subsequent resolution to approve the vacation request. On August 16<sup>th</sup>, adoption of the resolution failed for lack of a second. The City Council asked staff to return with a second denial resolution at a subsequent meeting. At the meeting of September 6<sup>th</sup>, the Council voted to reopen the public hearing and asked the applicant to provide additional traffic impact analysis.

### **Traffic Analysis**

Council requested that the applicant conduct additional traffic analysis to determine if the closure of "A" Avenue would necessitate a traffic light at National City Blvd. and East 28<sup>th</sup> Street. Stack Traffic Consulting (the consultant that performed the three previous analyses for this project), collected data during two consecutive weekdays while Sweetwater High School was in session. The data was collected from the following five locations:

- National City Boulevard, between 28th Street and 30th Street
- "A" Avenue, between 28th Street and 30th Street
- 28th Street, immediately east of National City Boulevard
- 28th Street, immediately east of "A" Avenue
- 30th Street, immediately east of National City Boulevard

The updated analysis of the National City Boulevard and 28th Street intersection included the following scenarios:

- Existing Conditions
- Existing Conditions with "A" Avenue Street Closure
- Near-Term Conditions without Frank Subaru Superstore project (with "A" Ave Closure)
- Near-Term Conditions with Frank Subaru Superstore project (with "A" Ave Closure)
- Long-Term Conditions without Frank Subaru Superstore project (with "A" Ave Closure)



- Long-Term Conditions with Frank Subaru Superstore project (with "A" Ave Closure)

The findings of the analysis showed that the addition of traffic generated by the combination of the "A" Avenue street closure and the proposed Frank Subaru Superstore project under both near-term conditions and long-term conditions would result in significant impacts at the un-signalized intersection of National City Boulevard and 28th Street. Therefore, mitigation measures are required to improve conditions to levels that are less than significant.

In order to mitigate the significant impacts caused by the project under near-term and long-term conditions, it is recommended that the project be conditioned to install a traffic signal at the intersection of National City Boulevard and 28th Street prior to completion of the Frank Subaru Superstore. Installation of a traffic signal at National City Boulevard and 28th Street would improve access to and from the project site as well as the surrounding neighborhood. Signal warrants are met based on the addition of traffic generated by the combination of the "A" Avenue street closure and the proposed Frank Subaru Superstore project. The applicant would be required to pay for mitigation measures necessitated by impacts created by their project.

### **Public Notice**

This has been an open process, which has provided public outreach above and beyond the normal noticing required for a street vacation application. The normal requirement is for all property owners within 100 feet of the area to be vacation to be notified. In this case, notice has been provided, both in the newspaper and in writing via mail, to all property owners and occupants within 300 feet of the total expected project area (including 130 East 28<sup>th</sup> Street), with the addition of all homes in the immediately adjacent residential community (even if not within 300 feet). A total of 86 notices were mailed out. The newspaper advertisement has been published for two consecutive weeks.

### **Public Correspondence**

As of the writing of this report, no public correspondence has been received. Any information received after publishing of the report will be provided to the Council at the public hearing. There were several letters received and speakers present at previous hearing. All of this information was considered by the Council at previous hearings and is part of the overall record, which is on file with the Planning Department. Most of the concerns were related to increased traffic in the neighborhood and the unsafe nature of the National City Blvd. and 28<sup>th</sup> Street intersection, which has heretofore been un-signalized.

## **Summary**

The General Plan Circulation Element does not identify the area as a major road (arterial or collector), and the proposed street vacation does not conflict with the policies and goals of the General Plan. Furthermore, the traffic counts in this location are low and largely attributed to the applicant. All occupant and emergency access will be maintained with relation to the businesses operating on the street, both north and south of the proposed vacated street, and the circuitry caused by the closure is minor, albeit less convenient. Impacts to southbound National City Blvd. access would be mitigated by the addition of a traffic light at the intersection of National City Blvd. and 28<sup>th</sup> Street. Finally, ample notice has been provided to owners and occupants in the area.

## **Options**

1. Close public hearing and direct staff to return with resolution ordering vacation of the subject segment of "A" Avenue; or
2. Close public hearing and direct staff to return with resolution denying the vacation of the subject segment of "A" Avenue; or
3. Continue the public hearing for addition information to be provided at a subsequent hearing,

*The following information is the same as presented in previous background reports:*

### **Site Characteristics**

The segment of "A" Avenue proposed to be vacated is 60 feet wide and 250 feet long (15,000 square feet). This block is located between East 28<sup>th</sup> Street and the former East 29<sup>th</sup> Street (29<sup>th</sup> Street was closed in 1968). This portion of "A" Avenue is fully developed with two traffic lanes, approximately 18 cars worth of on-street parallel parking on sides, curb, gutter, and sidewalk. The proposed right-of-way to be vacated currently provides access to the two adjacent properties occupied by Frank Motors. The west property is a former Dodge dealership and the east property a parking lot that serves as storage for newly delivered vehicles for Frank Motors dealerships in the City (Hyundai, Scion, Toyota, and Subaru).

### **Proposal**

The applicant proposes the vacated street to be used as a parking lot and delivery driveway for the dealership. As part of the vacation, the applicant will construct a cul-de-sac at the south end of the vacated area (approximately mid-block), which will allow traffic to safely turn around and exit the area, as well as to not impede ingress/egress for area businesses. Gates would be installed at each end of the area to be vacated.

The applicant is currently redeveloping their property on National City Blvd. with a new Subaru dealership (not part of this request). Originally, the applicant owned the two properties on either side of the area requested to be vacated. These parcels comprised the former San Diego Dodge dealership on National City Blvd. and the current dealer vehicle storage lot on the southeast corner of "A" Avenue and East 28<sup>th</sup> Street. The applicant purchased the residential property adjacent to the storage lot (130 East 28<sup>th</sup> Street) last year and has since cleared the property, which is zoned Service Commercial (CS), the same as the storage lot.

The intention of Franks Motors is to incorporate the former residentially-developed lot into their dealership activities. This will likely be either an expansion of their vehicle storage area or a check-in area for newly-delivered vehicles. The latter use would be considered auto repair, which is permitted by right in the CS zone. Storage of vehicles would require a Conditional Use Permit (CUP), which would be a separate and future application process. If the street is vacated, the applicant intends to provide access to 130 East 28<sup>th</sup> Street through the vacated portion of "A" Avenue. This would take all traffic associated with the business off of East 28<sup>th</sup> Street.

Frank Motors has two plans (Options A and B) that were presented at previous meetings. Option A requires the vacation of "A" Avenue and would allow for the Subaru

Superstore, offloading of vehicles on private property, and elimination of vehicle traffic from East 28<sup>th</sup> Street. This is the “prime” option. According to information provided by the applicant, vacation of “A” Avenue would result in the following:

- \$20,000,000 in increased Subaru revenue
- \$2,500,000 increase in Toyota service/parts revenue
- All vehicle deliveries will take place on dealership property creating a safe environment for employees, transport drivers, and area residents
- Elimination of dealership traffic and an entrance on East 28th Street within the neighborhood (former residentially-developed property)
- Landscape screening wall constructed along East 28th Street visually shielding the dealership property from the adjacent neighborhood
- Cul-de-Sac at south end of "A" Avenue vacation plus conversion of existing driveway aprons to curb/gutter along remaining portion of “A” Avenue for added parking
- Gates at both ends of the property for access

Option B is the applicant's secondary plan and would only be pursued if no vacation is granted. In this scenario, the applicant would develop the former residentially-developed property into a pre-delivery inspection (PDI) facility that would likely continue to access East 28<sup>th</sup> Street. This use would be permitted by right as auto repair and would require no City approvals with the exception of construction permits and a business license. Option B could result in approximately 12,000 additional vehicle trips per year on East 28<sup>th</sup> Street east of “A” Avenue due to traffic to and from the PDI facility.

### **Street Vacation process**

Adopted in January 2006, the City's Street Vacation Procedures require the City Council to initiate a request to vacate any public streets. The Council initiated the subject request on August 19, 2014. Pursuant to the Streets and Highways Code, Section 8313 and the Street Vacation Procedures, the Planning Commission must determine whether a proposed vacation is consistent with the General Plan and forward the recommendation to the City Council.

Planning Commission reviewed the street vacation for conformance with the General Plan at a hearing on November 17, 2014. The Commission determined that the Street Vacation as described was in compliance with the National City General Plan, since the portion of “A” Avenue to be vacated serves minimal non-area occupant traffic and is not identified as an arterial or collector street in the Circulation Element of the General Plan. Furthermore, all resident and emergency access will be maintained. If the Council



wishes to approve the closure, an order to vacate would come back at a subsequent meeting along with a resolution of approval.

### **Analysis**

The portion of "A" Avenue to be vacated is fully developed, although it is not identified as an arterial or collector street in the Circulation Element of the General Plan. There are also utilities that reside in the area to be vacated, including water mains, power and telephone poles, and a sewer main. If vacated, access to all utilities would need to be maintained or abandoned/relocated as required. Comments were also received from the Fire Department, who requires emergency access (e.g., Knox box, strobe-activated gates) to the property in the case that automatic gates are used. Recommended Conditions of Approval that reflect these requirements are attached.

### **General Plan Conformance**

The properties either side of the street were vacant for some time after the recent economic downturn. Frank Motors is a recent tenant and has been looking to expand business operations since purchasing the property across "A" Avenue. Their intent is to eventually amalgamate the properties and redevelop the dealership, should the properties be combined.

Assembling the parcels would increase the efficiency and potential of the property, which would make the business more successful. This would in turn provide benefits to the City through taxes and employment. This scenario is consistent with General Plan policies related to Goal LU-7: The efficient use of land and infrastructure, specifically, the following policies:

- **Policy LU-7.1:** Establish incentives to promote the use and development of vacant infill parcels and the intensification of land uses on underutilized parcels to realize the greatest benefit to the community.
- **Policy LU-7.6:** Support the strategic conversion of certain sections of streets into developable land only where the conversion positively contributes to the redevelopment and revitalization of the area, improves traffic safety, and does not impede emergency access.

However, there are also policies in the General Plan that the proposed vacation could potentially conflict with, specifically, the following policies:

- **Policy C-2.2:** Enhance connectivity by eliminating gaps and barriers in roadway, bikeway, and pedestrian networks.

- **Policy C-8.8:** Provide a continuous pedestrian network within and between neighborhoods to facilitate pedestrian travel free from major impediments and obstacles.

It should be noted that the street in this location does not produce a major amount of traffic, other than from adjacent businesses. In addition, there is no neighborhood to speak of south of 30<sup>th</sup> Street in this area. Given that the majority of traffic is generated by the applicant, and that the other users south of the project area on "A" Avenue will maintain access, the latter policies do not carry as much weight as the former policies.

### **Streets and Highways Code**

The City's Street Vacation Procedures require compliance with the California Streets and Highways Code; specifically, the following:

8324. (a) At the hearing, the legislative body shall hear the evidence offered by persons interested.
- (b) If the legislative body finds, from all the evidence submitted, that the street, highway, or public service easement described in the notice of hearing or petition is unnecessary for present or prospective public use, the legislative body may adopt a resolution vacating the street, highway, or public service easement. The resolution of vacation may provide that the vacation occurs only after conditions required by the legislative body have been satisfied and may instruct the clerk that the resolution of vacation not be recorded until the conditions have been satisfied.

Previous traffic analyses showed that approximately half of the traffic volume on "A" Avenue between East 28<sup>th</sup> and 30<sup>th</sup> Streets was dealership traffic. Furthermore, the analysis showed that East 28<sup>th</sup> Street will continue to function at an acceptable level (LOS C) with the redirected traffic resulting from closure of "A" Avenue. The National City Blvd. and East 28<sup>th</sup> Street intersection would be able to operate safely with the addition of a traffic light.

Public access to residential areas will continue to be provided via East 28<sup>th</sup> Street, which leads to the residential neighborhood east of the property. Although the distance will be slightly further (¼-mile), residents will continue to have access to eastbound 30<sup>th</sup> Street via National City Blvd. Public access to the commercial properties south of the proposed vacated area will also continue to be provided by the remainder of "A" Avenue, which has access to East 30<sup>th</sup> Street.

Based on these facts, partial closure of "A" Avenue will not impede on the present or prospective public use of the remainder of the street. Emergency access would be maintained for the surrounding area and to the new dealership. In addition, partial vacation of "A" Avenue would allow for comprehensive redevelopment of the dealership and a subsequent reduction in traffic through adjacent residential neighborhoods. Although those in the adjacent neighborhood would no longer be able to access southbound National City Blvd. from westbound 30<sup>th</sup> Street after the vacation, the addition of a traffic light at National City Blvd. and 28<sup>th</sup> Street would allow the same access at the then controlled intersection.

## RECOMMENDED CONDITIONS OF APPROVAL

### 2013-23 SC – A Avenue – Frank Motors

#### General

1. This *Street Closure* authorizes the vacation of 60 feet by 250 feet of "A" Avenue south of East 28<sup>th</sup> Street. Except as required by conditions of approval, all plans submitted for permits associated with the project shall conform to Exhibit A-2<sup>nd</sup> Revision, Case File No. 2013-23 SC dated 6/13/2016.
2. *Within four (4) days* of approval, pursuant to Fish and Game Code 711.4 and the California Code of Regulations, Title 14, Section 753.5, the applicant shall pay all necessary environmental filing fees for the San Diego County Clerk. Checks shall be made payable to the *County Clerk* and submitted to the National City Planning Department.

#### Fire

3. Plans submitted for improvements must comply with the current editions of the California Fire Code (CFC) and National Fire Protection Association (NFPA).
4. Identification signs shall be posted for all utilities such as natural gas and fire sprinkler system. Please contact the National City Fire Department for direction and copy of requirements.
5. Fire department access roads shall meet the requirements of the 2013 California Fire Code Section 503 *Fire Apparatus Roads*. Facilities, buildings or portions of buildings hereafter constructed shall be accessible to Fire Department apparatus by way of an approved fire apparatus access road with an asphalt, concrete or other approved driving surface capable of supporting the imposed load of a fire apparatus weighing at least 75,000 pounds. Fire department access roads shall have an unobstructed width of not less than 20 feet for emergency vehicle travel. Where required by the fire code official, approved signs or other approved notices or markings that include the words NO PARKING -FIRE LANE shall be provided for fire apparatus access roads to identify such roads or prohibit the obstruction thereof. Fire apparatus access roads shall not be obstructed in any manner, including the parking of vehicles.
6. Roads or alleys 20 to 26 feet wide shall be posted on both sides as fire lanes.
7. If automatic gates are used, emergency strobes shall be for entrance and egress if applicable.
8. The National City Fire Department shall be involved with all fire inspections for this site. Rough inspections of all phases of work are required.
9. A 48 hour notice is required for all inspections.

#### Engineering

10. The Applicant shall submit a plat and legal description of the proposed area of the street vacation and any applicable street dedication.



11. The Applicant shall submit a title report for all properties adjacent to the portion of "A" Avenue to be vacated.
12. The street vacation document shall provide all necessary easements as required by the various utility companies.
13. The street vacation document shall provide to the City of National City a twenty foot access and sewer easement ten feet on either side of the existing center line of the portion of "A" Avenue to be vacated.
14. The street vacation document shall provide to the City of National City a drainage easement over that portion of "A" Avenue to be vacated.
15. The Applicant shall submit plans and details of all gates, fences, barricades and appurtenances proposed to be installed at either end of the vacated portion of "A" Avenue.

#### Planning

16. Access to all existing utilities that reside in the area to be vacated, including water mains, power and telephone poles, and a sewer main shall be maintained or abandoned/relocated as required by the respective utility owner.
17. If the proposed cul-de-sac is constructed in the public right-of-way or in the event that the cul-de-sac is dedicated as public right-of-way in the future, the cul-de-sac shall be designed per American Association of State Highway and Transportation Officials (AASHTO) standards to accommodate the turning radius of a 30-foot overall length and/or 20-foot wheelbase single-unit vehicle.
18. The proposed cul-de-sac shall be marked as red curb/no parking to the satisfaction of the City Engineer.
19. No offloading of transport trucks shall occur off-site.
20. Driveway aprons on the remainder of "A" Avenue that are not driveway access shall be abandoned and reconstructed to provide curb, gutter, and sidewalk per City requirements.
21. A landscaped/vegetated barrier shall be constructed along the north property lines of parcels on East 28<sup>th</sup> Street, as well as along property lines adjacent to residentially-developed parcels. The design of the fence shall include aural as well as visual screening of activities from adjacent residential properties.
22. The applicant is required to pay for mitigation measures necessitated by impacts created by their project including, but not limited to, a new traffic signal at the intersection of National City Blvd. and 28<sup>th</sup> Street.

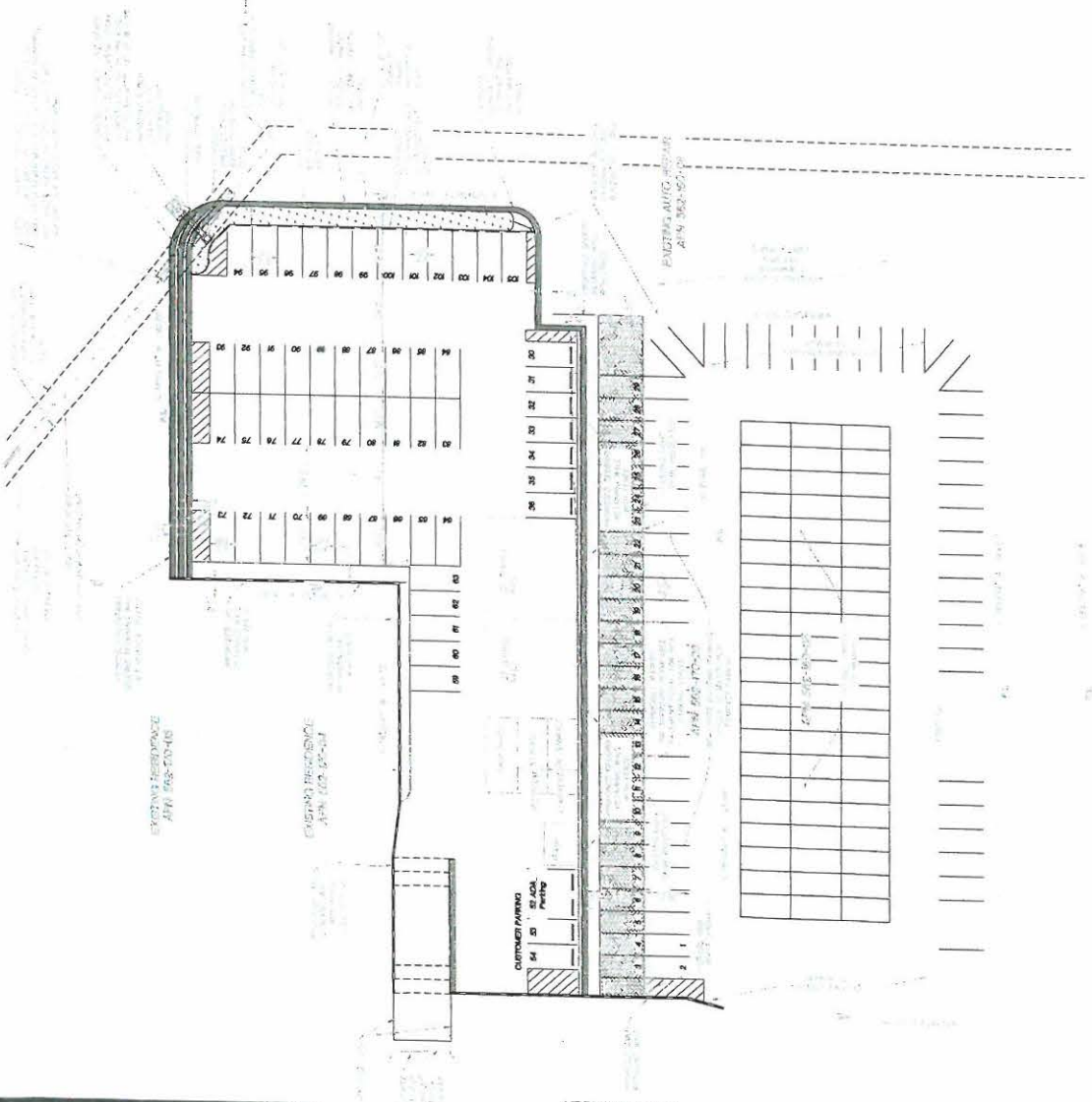


### SITE INFORMATION:

ADDRESS: 100 E. 2ND STREET  
 CITY: PASCO, WA 99301  
 PHONE: (509) 662-1111  
 FAX: (509) 662-1112  
 EMAIL: info@pasco-wa.gov  
 WEBSITE: www.pasco-wa.gov

### NOTES:

1. SITE INFORMATION IS BASED ON THE INFORMATION PROVIDED BY THE CLIENT. THE ENGINEER HAS CONDUCTED VISUAL INSPECTIONS OF THE SITE AND HAS FOUND NO EVIDENCE OF CONTAMINATION. HOWEVER, THE ENGINEER DOES NOT GUARANTEE THE ACCURACY OF THE INFORMATION PROVIDED BY THE CLIENT.

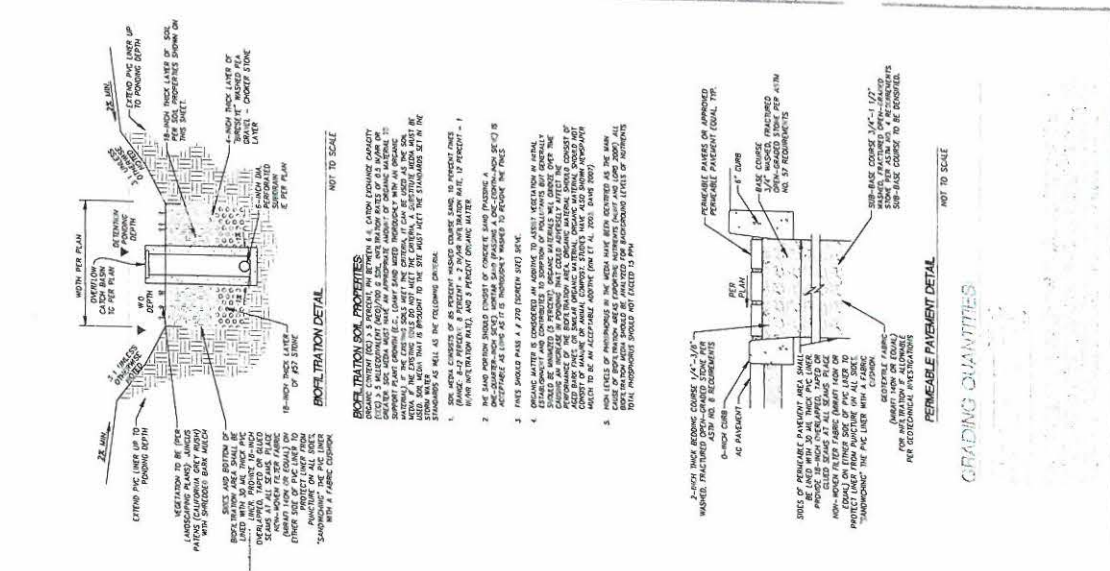


### LEGEND

EXISTING PAVEMENT  
 PROPOSED PAVEMENT  
 EXISTING CURB  
 PROPOSED CURB  
 EXISTING SIDEWALK  
 PROPOSED SIDEWALK  
 EXISTING DRIVEWAY  
 PROPOSED DRIVEWAY  
 EXISTING FENCE  
 PROPOSED FENCE  
 EXISTING UTILITY  
 PROPOSED UTILITY  
 EXISTING TREE  
 PROPOSED TREE  
 EXISTING SHRUB  
 PROPOSED SHRUB  
 EXISTING GRASS  
 PROPOSED GRASS  
 EXISTING ROCK  
 PROPOSED ROCK  
 EXISTING SAND  
 PROPOSED SAND  
 EXISTING SILT  
 PROPOSED SILT  
 EXISTING CLAY  
 PROPOSED CLAY  
 EXISTING COARSE GRAVEL  
 PROPOSED COARSE GRAVEL  
 EXISTING FINE GRAVEL  
 PROPOSED FINE GRAVEL  
 EXISTING ASPHALT  
 PROPOSED ASPHALT  
 EXISTING CONCRETE  
 PROPOSED CONCRETE  
 EXISTING BRICK  
 PROPOSED BRICK  
 EXISTING STONE  
 PROPOSED STONE  
 EXISTING MASONRY  
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 PROPOSED Plutonic

### FRANK MOTORS SITE - 28TH ST. AND A AVE - NATIONAL CITY

SCALE 1" = 20'



### FRANK MOTORS PARKING EXPANSION 28TH ST. AND A AVE.

DRAWING NO. 4/15/16  
 SHEET 1 OF 1

### PASCO LARET SUITER & ASSOCIATES

100 E. 2ND STREET, SUITE 100  
 PASCO, WA 99301  
 (509) 662-1111  
 www.pasco-wa.gov





# Technical Memorandum

To: Jerry Drewett, Frank Motors Group, Inc.

From: David Mizell, STC Traffic

Date: November 10, 2016

Re: **Updated Analysis With Frank Subaru Superstore Project and A Avenue Street Closure**

This technical memorandum presents the results of the data and analysis associated with the Frank Subaru Superstore Project and the A Avenue street closure. Specifically, analysis of the National City Boulevard & 28<sup>th</sup> Street intersection was updated to include the additional traffic that would be generated by the Frank Subaru Superstore Project. The updated analysis of the National City Boulevard & 28<sup>th</sup> Street intersection includes the following scenarios:

- Existing Conditions
- Existing Conditions with A Avenue Street Closure
- Near-Term Conditions Without Frank Subaru Superstore project (With A Ave Closure)
- Near-Term Conditions With Frank Subaru Superstore project (With A Ave Closure)
- Long-Term Conditions Without Frank Subaru Superstore project (With A Ave Closure)
- Long-Term Conditions With Frank Subaru Superstore project (With A Ave Closure)

At the City's direction, all future scenarios without and with the Frank Subaru Superstore Project include the A Avenue street closure so that the potential impact of trips generated by the Frank Subaru Superstore Project can be identified.

## 1. Data Collection

**Figure 1** shows the locations and types of traffic data obtained. At the National City Boulevard & 28<sup>th</sup> Street intersection, AM and PM peak period turning movement counts were obtained over two consecutive weekdays while the nearby Sweetwater High School was in session. The following mid-block counts were also collected while the nearby Sweetwater High School was in session over two consecutive weekdays:

1. National City Boulevard, between 28<sup>th</sup> Street and 30<sup>th</sup> Street
2. A Avenue, between 28<sup>th</sup> Street and 30<sup>th</sup> Street
3. 28<sup>th</sup> Street, immediately east of National City Boulevard
4. 28<sup>th</sup> Street, immediately east of A Avenue
5. 30<sup>th</sup> Street, immediately east of National City Boulevard



**Figure 1: Location of Traffic Counts**

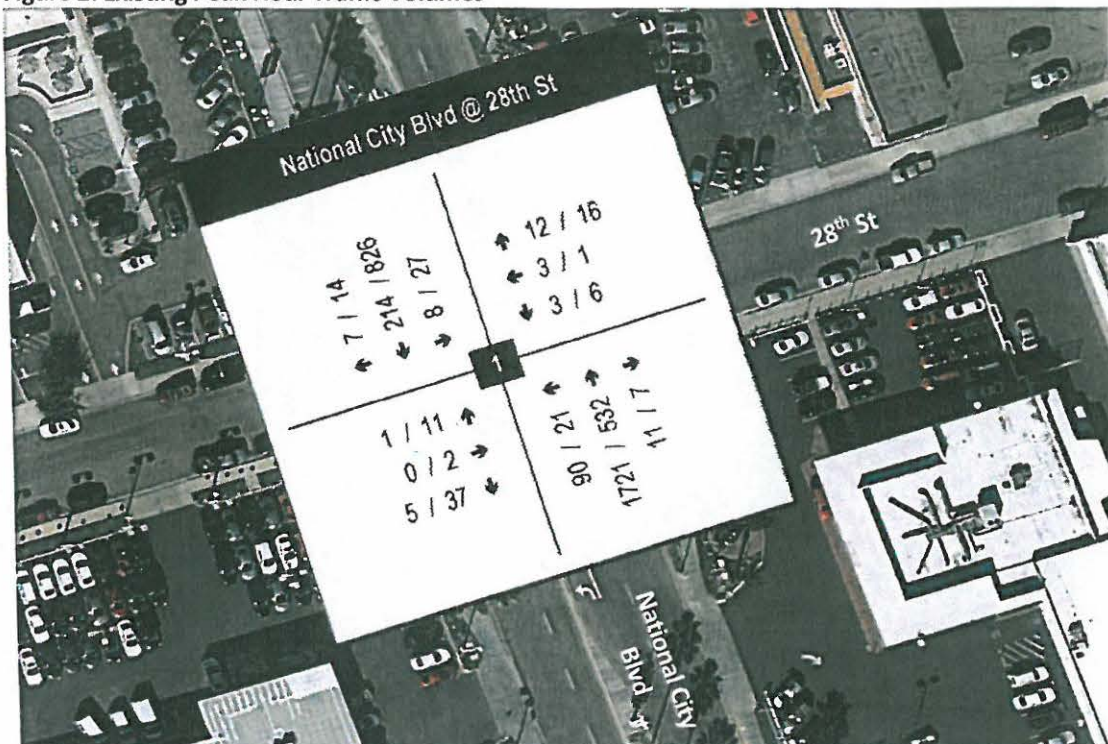


### **Traffic Volumes at National City Blvd & 28<sup>th</sup> St**

Turning movement volumes were obtained at the National City Boulevard & 28<sup>th</sup> Street intersection on Wednesday, September 14, 2016, and on Thursday, September 15, 2016 during the AM (7:00 am to 9:00 am) and PM (4:00 pm to 6:00 pm) peak periods. Sweetwater High School was in session during the dates of the counts. The two-day average of the turning movement volumes was used for the analysis at National City Boulevard & 28<sup>th</sup> Street.

**Figure 2** illustrates the existing a.m. and p.m. peak hour traffic volumes. As shown in the figure, the majority of the traffic travels north along National City Boulevard in the AM peak and reverses direction during the PM peak. Traffic volumes along 28<sup>th</sup> Street are low in both the AM and PM peak hour. **Appendix A** contains copies of the peak hour intersection turning movement volumes.

Figure 2: Existing Peak Hour Traffic Volumes



### Mid-Block Traffic Volumes

Traffic volume data was obtained along the five mid-block segments listed on page 1 of this memorandum for two consecutive mid-week days, on Tuesday, October 4, 2016 and Wednesday, October 5, 2016. Sweetwater High School was in session during the dates of the counts. **Table 1** provides a summary of the average daily mid-block traffic volumes in each direction of travel. **Appendix A** contains copies of the 48-hour mid-block traffic counts.

Table 1: Mid-Block Traffic Volume Summary

Segment	Direction	Day 1	Day 2	Average
National City Blvd. between 28th St and 30th St	NB	11,433	11,502	11,468
	SB	7,124	7,032	7,078
	<b>Total</b>	<b>18,557</b>	<b>18,534</b>	<b>18,546</b>
A Avenue between 28th St and 30th St	NB	233	239	236
	SB	340	362	351
	<b>Total</b>	<b>573</b>	<b>601</b>	<b>587</b>
28th St East of National City Blvd	EB	229	213	221
	WB	172	183	178
	<b>Total</b>	<b>401</b>	<b>396</b>	<b>399</b>
28th St East of A Avenue	EB	75	73	74
	WB	65	79	72
	<b>Total</b>	<b>140</b>	<b>152</b>	<b>146</b>
30th St East of National City Blvd	EB	2,718	2,776	2,747
	WB	3,413	3,516	3,465
	<b>Total</b>	<b>6,131</b>	<b>6,292</b>	<b>6,212</b>



## 2. Origin-Destination Study

The previous technical memorandum that was prepared on April 30, 2015 included an origin-destination study that was performed to assess the amount of traffic that would be re-routed due to the closure of A Avenue between 28<sup>th</sup> Street and 30<sup>th</sup> Street. The data for the origin-destination study was collected with video cameras that recorded vehicle movements onto A Avenue from both 28<sup>th</sup> Street and 30<sup>th</sup> Street, and only vehicles that traveled the entire length of A Avenue were considered for the origin-destination study. The origin-destination traffic data was obtained in April 2015 during the AM and PM peak periods while the nearby Sweetwater High School was in session.

The October 2016 counts that were collected on A Avenue between 28<sup>th</sup> Street and 30<sup>th</sup> Street were compared to the counts that were collected on the same segment in April 2015. To provide an accurate comparison, only the two highest consecutive weekdays (Tuesday through Thursday) of the April 2015 counts were compared with the October 2016 counts.

The comparison revealed that in the northbound direction on A Avenue, traffic volumes decreased by approximately 12 percent. In the southbound direction, traffic volumes increased by approximately 9 percent. Overall volumes on A Avenue in October 2016 decreased by less than one percent since the April 2015 counts were collected.

The percent change in the directional traffic volumes on A Avenue was applied to the April 2015 origin-destination study results to derive the updated traffic volumes that would be re-routed to the intersection of National City Boulevard & 28<sup>th</sup> Street due to the A Avenue street closure. The analysis assumes that the turning movement directional splits for the origin-destination study volumes have not changed. **Table 2** summarizes the updated origin-destination study volumes along A Avenue.

**Table 2: A Avenue Origin-Destination Summary**

ORIGIN		DESTINATION				
		28th NBL	28th NBT	28th NBR	30th SBL	30th SBR
<b>AM PEAK HOUR (7:00 am to 8:00 am)</b>						
28th EBR	3				2	1
28th SBT	10				0	10
28th WBL	5				2	3
30th EBL	9	3	4	2		
30th WBR	19	0	18	1		
<b>PM PEAK HOUR (4:30 pm to 5:30 pm)</b>						
28th EBR	9				5	3
28th SBT	39				12	27
28th WBL	0				0	0
30th EBL	2	1	0	1		
30th WBR	12	0	11	1		

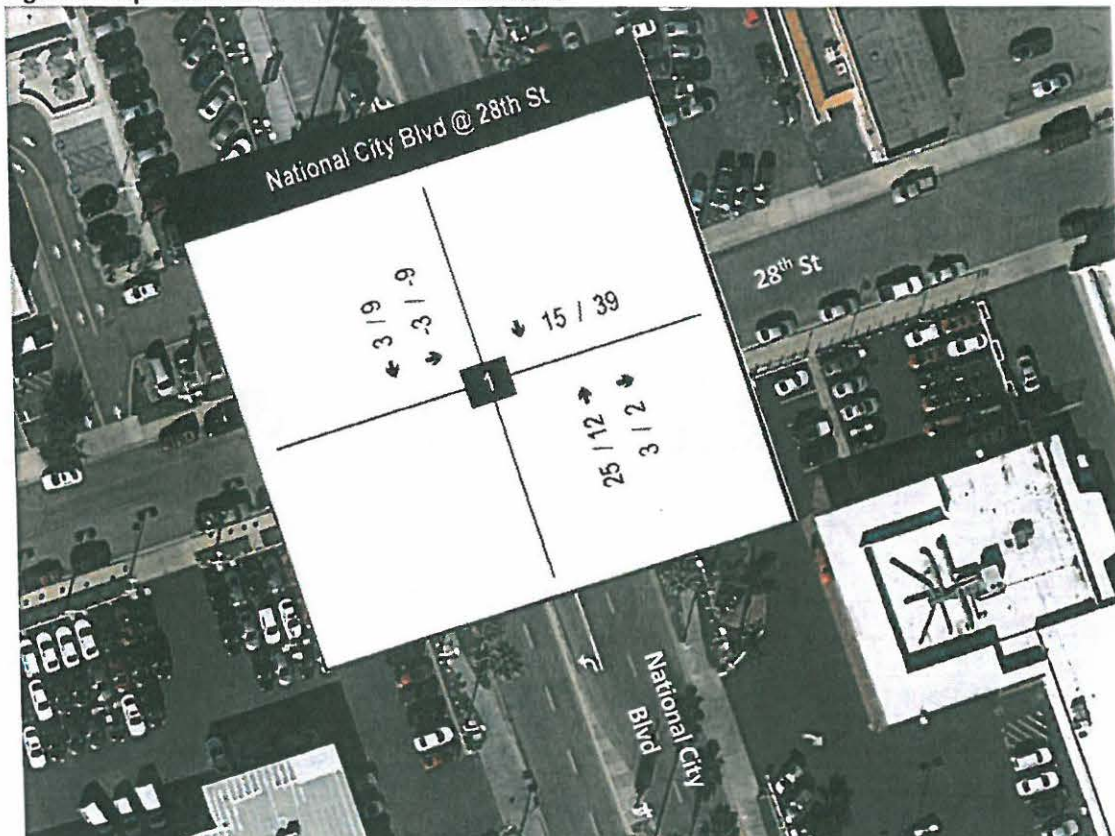
In order to read the table appropriately, an example has been provided. During the AM peak hour, three vehicles turned right onto A Avenue from 28<sup>th</sup> Street. Of these three vehicles traveling south along A Avenue, two vehicles turned left onto 30<sup>th</sup> Street and one vehicle turned right onto 30<sup>th</sup> Street.

As shown in the table, the origin-destination study was updated to 47 vehicles during the AM peak hour and to 62 vehicles during the PM peak hour. Approximately two-thirds of the vehicles traveled in the northbound direction along A Avenue during the AM peak hour, but reversed directions in the PM peak hour with approximately 75 percent of the vehicles that traveled in the southbound direction. Approximately 75 percent of the vehicles originating from 28<sup>th</sup> Street turned right onto 30<sup>th</sup> Street in the AM peak hour. In the PM peak hour, approximately 65 percent of the vehicles turned right onto 30<sup>th</sup> Street. Approximately 80 percent of the vehicles originating from 30<sup>th</sup> Street continued through the intersection at 28<sup>th</sup> Street in both the AM and PM peak hour.

### Traffic Redistribution

The results of the origin-destination study during the AM peak hour (7:00 am to 8:00 am) and PM peak hour (4:30 pm to 5:30 pm) were used to redistribute traffic volumes through the National City Boulevard & 28<sup>th</sup> Street intersection with the closure of A Avenue. **Figure 3** summarizes the redistributed traffic volumes with the closure of A Avenue between 28<sup>th</sup> Street and 30<sup>th</sup> Street.

**Figure 3: Trip Redistribution with A Avenue Closure**

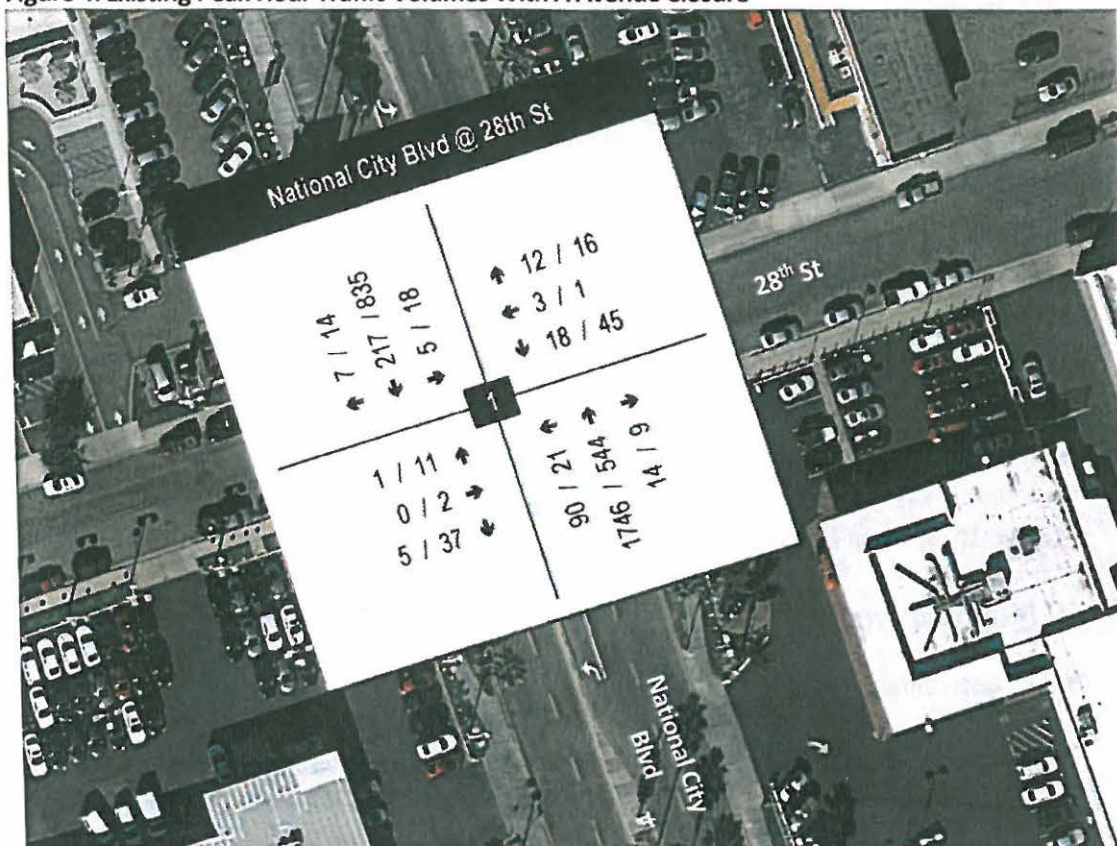


### Existing With A Avenue Closure Traffic Volumes

**Figure 4** illustrates the existing peak hour traffic volumes at the National City Boulevard & 28<sup>th</sup> Street intersection assuming the closure of A Avenue between 28<sup>th</sup> Street and 30<sup>th</sup> Street.



Figure 4: Existing Peak Hour Traffic Volumes With A Avenue Closure



### 3. Existing Conditions Without and With Street Closure

An intersection level of service (LOS) analysis was conducted at the National City Boulevard & 28<sup>th</sup> Street intersection under existing conditions without and with the A Avenue street closure. SimTraffic was utilized to analyze the intersection. Delays reported refer to the average total delay for the worst movement at the intersection, which corresponds with the westbound approach of 28<sup>th</sup> Street.

**Table 3** summarizes the intersection analysis with the redistributed traffic volumes from the A Avenue closure. Results were compared to existing conditions, which include the increase in delay that would be incurred with the closure of A Avenue. **Appendix B** contains the SimTraffic worksheets.



**Table 3: Existing Intersection LOS Analysis Without and With A Avenue Closure**

#	Intersection	Traffic Control	Peak Hour	Existing Conditions		Existing Conditions With A Ave Closure		Δ in Delay
				Delay (a)	LOS (b)	Delay (a)	LOS (b)	
1	National City Blvd & 28th St	TWSC	AM	19.2	C	31.8	D	12.6
			PM	7.3	A	14.7	B	7.4

Notes:

TWSC: Two-way stopped control

**Bold values** represent intersections operating at LOS E or F.

- a) Delay refers to the average total delay per vehicle in seconds for the worst movement at an unsignalized intersection. Values were computed with the SimTraffic traffic simulation program (SYNCHRO).
- b) For comparison purposes, the LOS resulting from the SimTraffic analysis was determined based on the same thresholds outlined in the 2010 Highway Capacity Manual (HCM).

As shown in Table 3, the delay for the westbound movement along 28<sup>th</sup> Street would increase during both peak hours with the closure of A Avenue; however, operations during both peak hours are expected to remain at an acceptable LOS D or better.

## 4. Proposed Project

### Project Description

Frank Motors Group proposes to relocate the existing Frank Subaru auto dealership and service store from the northwest corner of National City Boulevard & 30<sup>th</sup> Street to a site located along the east side of National City Boulevard between 28<sup>th</sup> Street and 30<sup>th</sup> Street. The project site is the current location of Frank's Used Cars, which will be removed to construct a new 22,000 square-foot Frank Subaru Superstore. The new Frank Superstore will also include a total of 40 service bays plus 3 service lanes that will provide complementary tire alignment and tire tread depth checks.

The main entrance to the proposed Frank Subaru Superstore site will be provided on National City Boulevard between 28<sup>th</sup> Street and 30<sup>th</sup> Street, and will be restricted to right-turn only access due to the existing raised median on National City Boulevard. Left-turn access will be provided from a secondary driveway located on 28<sup>th</sup> Street.

### Trip Generation

Trip generation rates published by the SANDAG *Brief Guide of Vehicular Traffic Generation Rates for the San Diego Region*, April 2002 were applied to the proposed project to determine the traffic generation characteristics of the site.

**Table 4** summarizes the vehicular trip generation for the project site. As shown in the table, the project would generate a total of approximately 1,100 average weekday trips, including 56 AM peak hour trips and 88 PM peak hour trips. However, approximately 50% of the project trips are existing trips that would divert from the existing Frank Subaru site at the northwest corner of National City Boulevard & 30<sup>th</sup> Street to the proposed Frank Subaru Superstore site at the southeast corner of National City Boulevard & 28<sup>th</sup> Street.



**Table 4: Proposed Project Trip Generation**

Table 4: Proposed Project Trip Generation									
Land Use	Unit	Daily (per unit)	AM Peak Hour			PM Peak Hour			
			Total (of daily)	In (% AM)	Out (% AM)	Total (of daily)	In (% PM)	Out (% PM)	
Trip Generation Rates (SANDAG)									
Auto Sales and Repair		TSF	50	5%	70%	30%	8%	40%	60%
Land Use	Size	Unit	Daily Trips	AM Peak Hour			PM Peak Hour		
				Total	In	Out	Total	In	Out
Existing Frank Subaru Trips									
Auto Sales and Repair	11	TSF	550	28	19	9	44	18	26
New Frank Subaru Trips									
Auto Sales and Repair	11	TSF	550	28	19	9	44	18	26
Total Frank Subaru Trips									
Auto Sales and Repair	22	TSF	1,100	56	38	18	88	36	52

Notes: TSF = Thousand Square Feet

Source: SANDAG's Brief Guide of Vehicular Traffic Generation Rates for the San Diego Region, April 2002.

### Trip Distribution

Frank Motors Group provided trip data from their existing Frank Subaru store which included the estimated inbound and outbound left-turn trips at the intersection of National City Boulevard & 28<sup>th</sup> Street based on customer and employee zip codes, service test drives, arrival and departure of vehicle inventory, customer service shuttles, parts delivery trucks, smog test trips, and several other document trip types. **Appendix C** contains the raw trip data provided by Frank Motors Group.

The trip data that was provided by Frank Motors Group was interpolated with the trip generation that was calculated for the existing Frank Subaru store. Because the proposed Frank Subaru Superstore is estimated to generate twice the number of trips as the existing Frank Subaru store, the estimated left-turns based on the existing use were doubled to derive the left-turns that would be generated by the proposed Frank Subaru Superstore at the intersection of National City Boulevard & 28<sup>th</sup> Street.

The trip distribution for the proposed Frank Subaru Superstore was then derived from the interpolation of the trip generation and left-turn trip data from Frank Motors Group. The results showed that approximately 60% of trips occur north of the project site, and 40% of trips occur south and east of the project site.

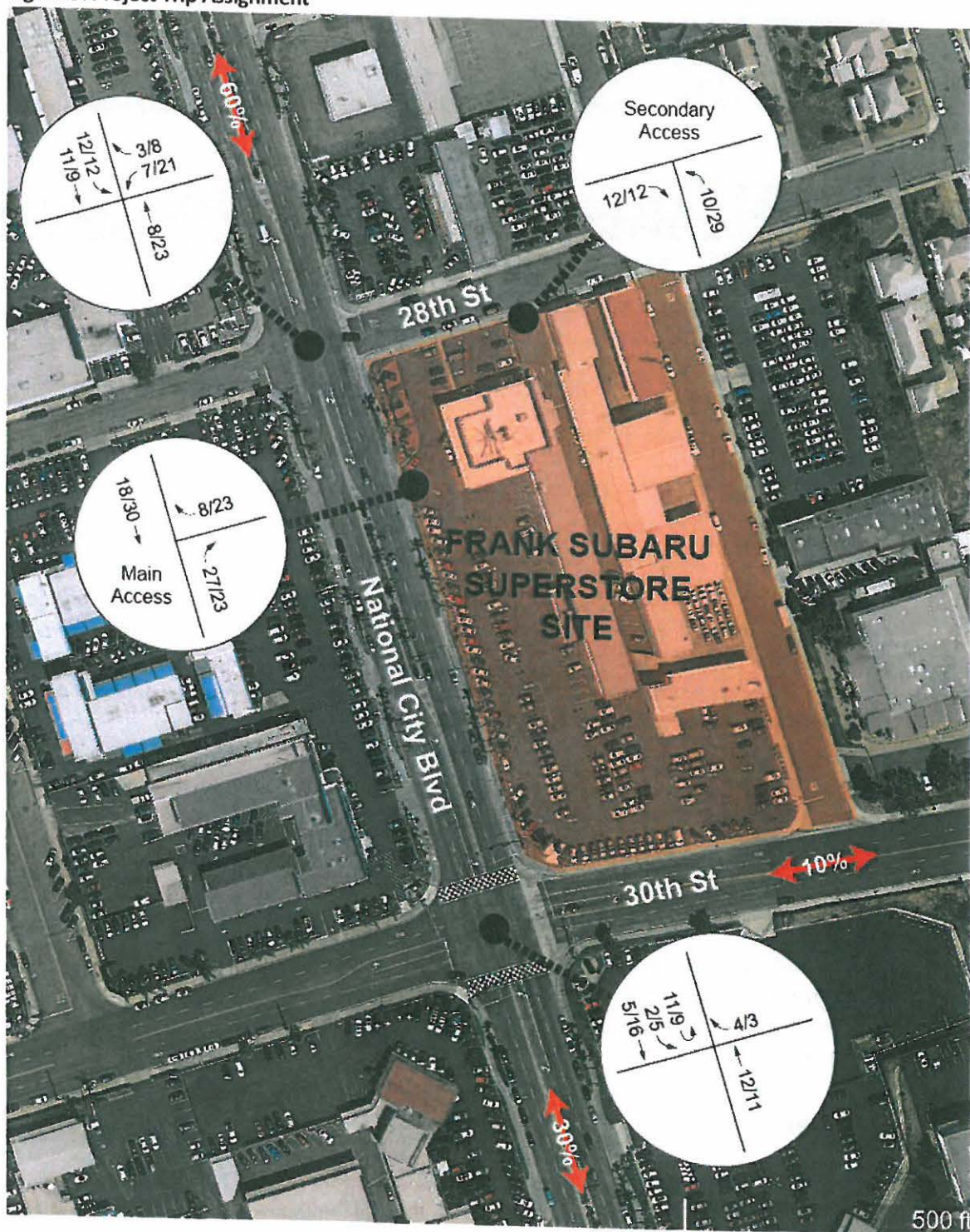
### Trip Assignment

The trip generation and trip distribution were then utilized to assign trips entering and exiting the proposed Frank Subaru Superstore site. Because the main entrance on National City Boulevard is restricted to right-turn only movements, some u-turn movements are assumed to occur at the intersection of National City Boulevard & 30<sup>th</sup> Street.

**Figure 5** illustrates the assignment of project trips for the proposed Frank Subaru Superstore site.



Figure 5: Project Trip Assignment





## 5. Near-Term (2018) Conditions Without and With Frank Subaru Superstore Project

The analysis of near-term conditions was performed for the year 2018, which considers full operations of the proposed Frank Subaru Superstore and a reasonable timeframe to allow traffic patterns to adjust to the closure of A Avenue. To isolate the specific impact of project-generated traffic at the intersection of National City Boulevard & 28<sup>th</sup> Street, near-term conditions assume the A Avenue street closure both without and with the Frank Subaru Superstore project.

### Near-Term Conditions Traffic Volumes

To calculate the near-term conditions traffic volumes, a growth factor was applied to the existing (with A Avenue street closure) traffic volumes based on two years of growth. The growth factor was derived from the forecast growth in traffic on National City Boulevard through the project area based on the City's General Plan Update Final EIR (2011). Approximately 40% of the forecast growth on National City Boulevard from 2011 to 2030 has already occurred because of a significance increase in traffic diverting from northbound I-5 to northbound National City Boulevard to avoid the freeway congestion during the AM peak period. To provide a more realistic estimate of future traffic volumes, the growth factor is derived based on the forecast growth in traffic from existing (Year 2016) conditions to the year 2030.

Based on the forecast traffic growth from 2016 to 2030, an annual growth rate of 2% was calculated on National City Boulevard. Because 28<sup>th</sup> Street is a local street and was not studied in the City's General Plan Update EIR, a growth rate of 1% per year was used to derive the growth factor for traffic volumes on 28<sup>th</sup> Street.

At the intersection of National City Boulevard & 28<sup>th</sup> Street, a growth factor of 4% was applied to through traffic volumes on National City Boulevard, while a growth factor of 2% was applied to all turning movements entering and exiting 28<sup>th</sup> Street.

**Figure 6** illustrates the near-term without project conditions peak hour traffic volumes at the National City Boulevard & 28<sup>th</sup> Street intersection, assuming the closure of A Avenue between 28<sup>th</sup> Street and 30<sup>th</sup> Street.

Project trips generated by the proposed Frank Subaru Superstore were added to the near-term conditions baseline volumes to derive the near-term with project conditions traffic volumes at the intersection of National City Boulevard & 28<sup>th</sup> Street.

Near-term with project conditions peak hour traffic volumes at the National City Boulevard & 28<sup>th</sup> Street intersection are illustrated in **Figure 7**.

Figure 6: Near-Term Without Project Peak Hour Traffic Volumes

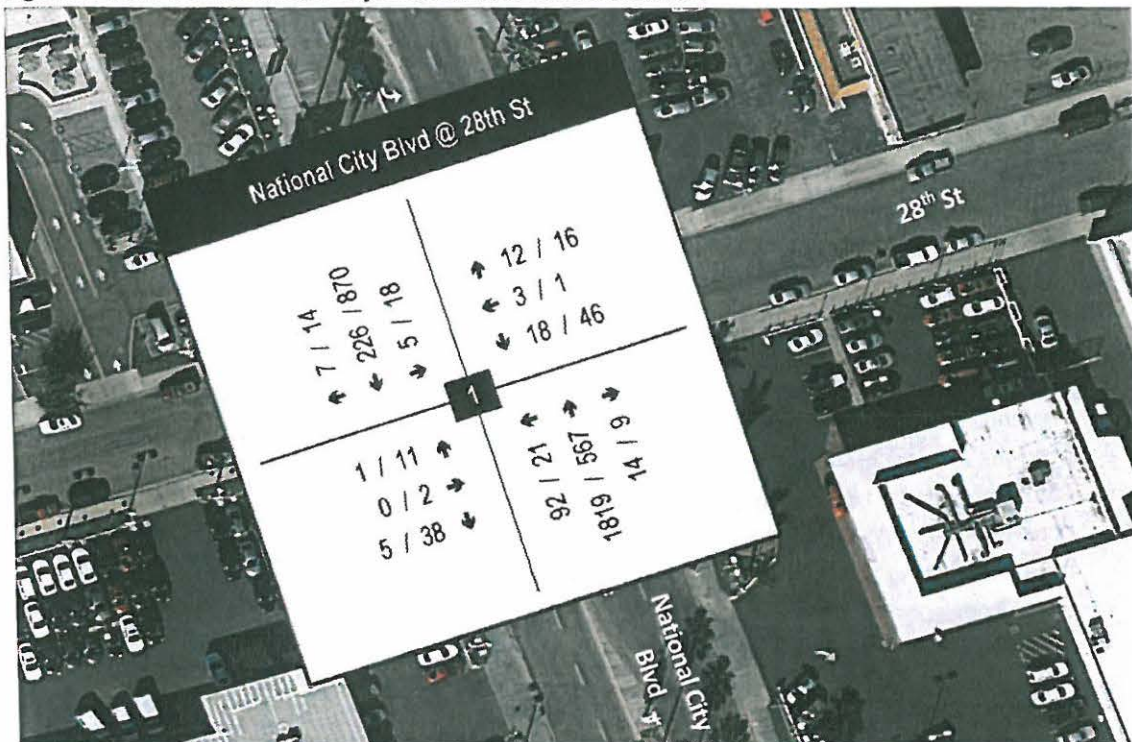
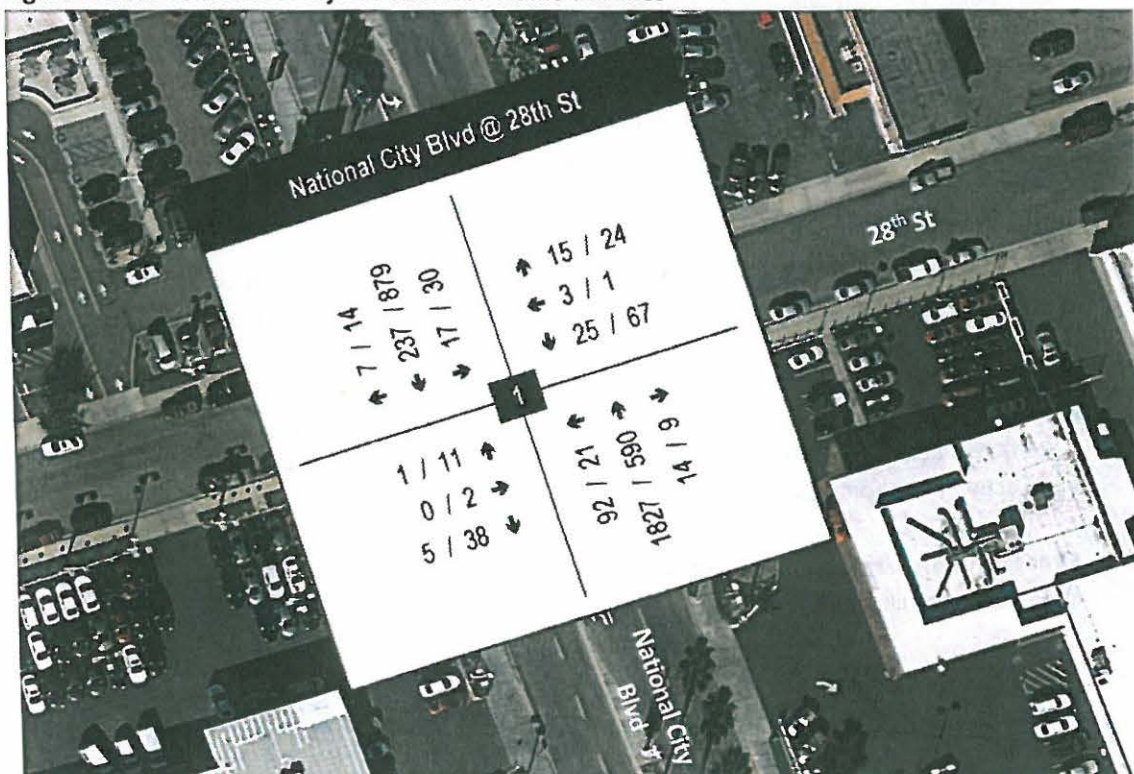


Figure 7: Near-Term With Project Peak Hour Traffic Volumes







## Near-Term Conditions Level of Service Analysis

An intersection level of service (LOS) analysis was conducted at the National City Boulevard & 28<sup>th</sup> Street intersection under near-term conditions without and with the proposed Frank Subaru Superstore project. The A Avenue street closure is assumed under near-term conditions both without and with the proposed project. SimTraffic was utilized to analyze the intersection. Delays reported refer to the average total delay for the worst movement at the intersection, which corresponds with the westbound approach of 28<sup>th</sup> Street.

**Table 5** summarizes the findings of the near-term conditions level of service analysis at the intersection of National City Boulevard & 28<sup>th</sup> Street. **Appendix D** contains the SimTraffic worksheets.

**Table 5: Near-Term Conditions Intersection LOS Analysis**

#	Intersection	Traffic Control	Peak Hour	Near-Term Without Project		Near-Term With Project		Δ in Delay
				Delay (a)	LOS (b)	Delay (a)	LOS (b)	
1	National City Blvd & 28th St	TWSC	AM	32.6	D	<b>110.6</b>	<b>F</b>	78.0
			PM	17.1	C	19.7	C	2.6

Notes:

TWSC: Two-way stopped control

**Bold values** represent intersections operating at LOS E or F.

- a) Delay refers to the average total delay per vehicle in seconds for the worst movement at an unsignalized intersection. Values were computed with the SimTraffic traffic simulation program (SYNCHRO).
- b) For comparison purposes, the LOS resulting from the SimTraffic analysis was determined based on the same thresholds outlined in the 2010 *Highway Capacity Manual (HCM)*.

As shown in the table, the westbound approach of the intersection is forecast to operate at acceptable LOS (LOS D or better) both without and with the project except during the AM peak hour under near-term with project conditions. The addition of project-related traffic to near-term conditions volumes during the AM peak hour would result in a change from an acceptable LOS D to a deficient LOS F. Therefore, the addition of project trips to the intersection of National City Boulevard & 28<sup>th</sup> Street would result in a significant impact and mitigation measures are required.



## 6. Long-Term (2030) Conditions Without and With Frank Subaru Superstore Project

The analysis of long-term conditions is based on the forecast growth in traffic on National City Boulevard through the project area according to the City's General Plan Update Final EIR (2011). To isolate the specific impact of project-generated traffic at the intersection of National City Boulevard & 28<sup>th</sup> Street, long-term conditions assume the A Avenue street closure both without and with the Frank Subaru Superstore project.

### Long-Term Conditions Traffic Volumes

An annual growth rate of 2% was derived to calculate the forecast growth in traffic on National City Boulevard, based on the forecast traffic growth from 2016 to 2030. The traffic model that was conducted for the City's General Plan Update Final EIR showed that the forecast year 2030 daily traffic volume on National City Boulevard through the project area is approximately 24,000. The existing average daily traffic volume that was collected on National City Boulevard in September 2016 is approximately 18,550. Because 28<sup>th</sup> Street is a local street and was not studied in the City's General Plan Update EIR, a growth rate of 1% per year was used to derive the growth factor for traffic volumes on 28<sup>th</sup> Street.

**Figure 8** illustrates the long-term without project conditions peak hour traffic volumes at the National City Boulevard & 28<sup>th</sup> Street intersection, assuming the closure of A Avenue between 28<sup>th</sup> Street and 30<sup>th</sup> Street.

Project trips generated by the proposed Frank Subaru Superstore were added to the long-term conditions baseline volumes to derive the long-term with project conditions traffic volumes at the intersection of National City Boulevard & 28<sup>th</sup> Street.

Long-term with project conditions peak hour traffic volumes at the National City Boulevard & 28<sup>th</sup> Street intersection are illustrated in **Figure 9**.



Figure 8: Long-Term Without Project Peak Hour Traffic Volumes

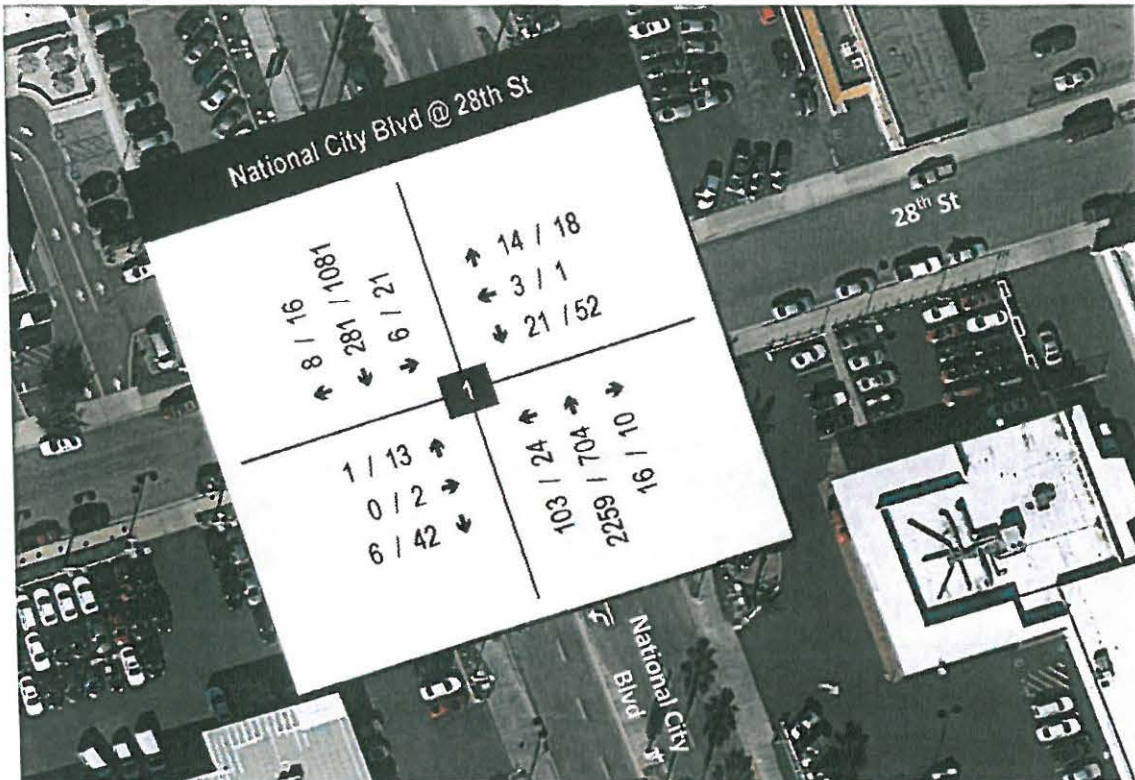
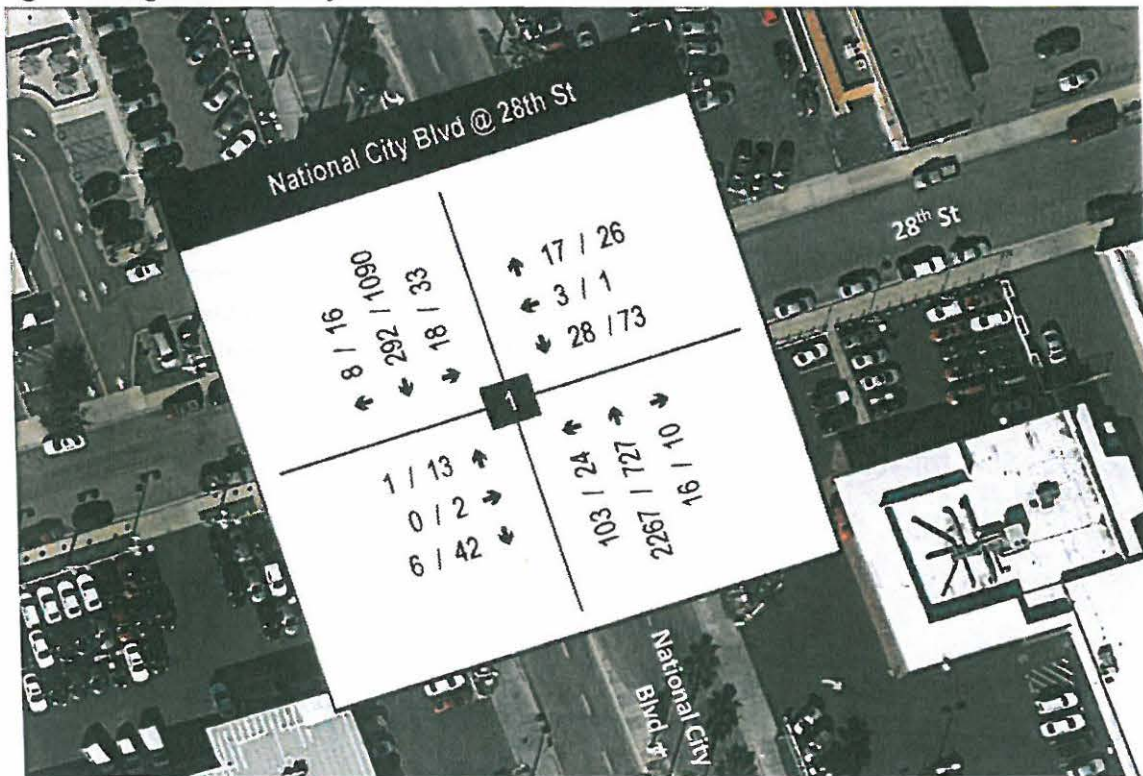


Figure 9: Long-Term With Project Peak Hour Traffic Volumes





## Long-Term Conditions Level of Service Analysis

An intersection level of service (LOS) analysis was conducted at the National City Boulevard & 28<sup>th</sup> Street intersection under long-term conditions without and with the proposed Frank Subaru Superstore project. The A Avenue street closure is assumed under long-term conditions both without and with the proposed project. SimTraffic was utilized to analyze the intersection. Delays reported refer to the average total delay for the worst movement at the intersection, which corresponds with the westbound approach of 28<sup>th</sup> Street.

**Table 6** summarizes the findings of the long-term conditions level of service analysis at the intersection of National City Boulevard & 28<sup>th</sup> Street. **Appendix E** contains the SimTraffic worksheets.

**Table 6: Long-Term Conditions Intersection LOS Analysis**

#	Intersection	Traffic Control	Peak Hour	Long-Term Without Project		Long -Term With Project		Δ in Delay
				Delay (a)	LOS (b)	Delay (a)	LOS (b)	
1	National City Blvd & 28th St	TWSC	AM	<b>102.7</b>	<b>F</b>	<b>538.4</b>	<b>F</b>	435.7
			PM	31.8	D	<b>47.4</b>	<b>E</b>	15.6

Notes:

TWSC: Two-way stopped control

**Bold values** represent intersections operating at LOS E or F.

- Delay refers to the average total delay per vehicle in seconds for the worst movement at an unsignalized intersection. Values were computed with the SimTraffic traffic simulation program (SYNCHRO).
- For comparison purposes, the LOS resulting from the SimTraffic analysis was determined based on the same thresholds outlined in the *2010 Highway Capacity Manual (HCM)*.

As shown in Table 6, the westbound approach of the intersection is forecast to operate at a deficient LOS F during the AM peak hour both without and with the proposed project under long-term conditions. The addition of project-related traffic would result in an increase in delay that exceeds the 2.0-second significance threshold; therefore, the project results in a significant impact during the AM peak hour and mitigation measures are required.

Table 6 shows that during the PM peak hour, the westbound approach is forecast to operate at an acceptable LOS D under long-term conditions without the project, and is forecast to worsen to LOS E with the addition of project-related traffic. Because the addition of project-related traffic would result in a change in LOS from acceptable to deficient, the project would result in a significant impact during the PM peak hour and mitigation measures are required.



## 7. Signal Warrant Analysis

A signal warrant analysis was performed at the intersection of National City Boulevard & 28<sup>th</sup> Street, which is currently two-way stop controlled at the minor street approaches (28<sup>th</sup> Street). The signal warrant analysis was performed in accordance with the 2014 California Manual on Uniform Traffic Devices (MUTCD) under all analysis scenarios.

The signal warrants, if satisfied, provide justification for the installation of a traffic signal, but in itself would not require the installation of a signal. The following individual signal warrants from Chapter 4C (Traffic Control Signal Needs Studies) of the 2014 California MUTCD were performed in this study:

- Warrant 3: Peak Hour (Part A and Part B)

The findings of the traffic signal warrant analysis are summarized in **Table 7. Appendix F** contains the signal warrant worksheets.

**Table 7: Signal Warrant Analysis**

Scenario		Peak Hour Warrant					
		Existing	Existing w/ Street Closure	Near-Term w/o Project	Near-Term w/ Project	Long-Term w/o Project	Long-Term w/ Project
<b>Part A</b>							
Warrant Satisfied?	AM	No	No	No	No	No	No
Warrant Satisfied?	PM	No	No	No	No	No	Yes
<b>Part B</b>							
Warrant Satisfied?	AM	No	No	No	No	No	No
Warrant Satisfied?	PM	No	No	No	No	No	Yes

Source: California MUTCD 2014 Edition

As shown in Table 7, the peak hour warrant was not satisfied during the AM peak hour under any of the analysis scenarios. However, as shown, the peak hour warrant was satisfied for both Part A and Part B during the PM peak hour under long-term with project conditions.



## 8. Mitigation Measures

The findings of the analysis showed that the addition of traffic generated by the combination of the A Avenue street closure and the proposed Frank Subaru Superstore project under both near-term conditions and long-term conditions would result in significant impacts at the unsignalized intersection of National City Boulevard & 28<sup>th</sup> Street. Therefore, mitigation measures are required to improve conditions to levels that are less than significant.

The results of the signal warrant analysis at the intersection of National City Boulevard & 28<sup>th</sup> Street showed that the peak hour warrant was satisfied during the PM peak hour under long-term with project conditions. It shall be noted that during the PM peak hour under near-term with project conditions, the 28<sup>th</sup> Street westbound approach at the intersection is only 8 vehicles below the threshold to satisfy the peak hour volume warrant, which is 100 vehicles on a one-lane minor street approach.

In order to mitigate the significant impacts caused the project under near-term and long-term conditions, it is recommended that the project install a traffic signal at the intersection of National City Boulevard & 28<sup>th</sup> Street prior to completion of the Frank Subaru Superstore. Installation of a traffic signal at National City Boulevard & 28<sup>th</sup> Street would improve access to and from the project site as well as the surrounding neighborhood.

**Table 8** summarizes level of service operations under near-term with project and long-term with project conditions with the recommended mitigation measures. **Appendix G** contains the HCM LOS worksheets.

**Table 8: Level of Service Operations With Recommended Mitigation**

#	Intersection	Traffic Control	Peak Hour	Near-Term With Project With Mitigation		Long -Term With Project With Mitigation	
				Delay (a)	LOS (b)	Delay (a)	LOS (b)
1	National City Blvd & 28th St	Signal	AM	9.1	A	11.9	B
			PM	9.9	A	9.9	A

As shown in the table, the recommended installation of a traffic signal at the intersection of National City Boulevard & 28<sup>th</sup> Street would improve operations to acceptable levels of service during the peak hours under both near-term with project and long-term with project conditions.



## 9. Summary

The following list summarizes our findings based on the new traffic data obtained for the project and analysis completed at the National City Boulevard & 28<sup>th</sup> Street intersection:

- The weekday average traffic volumes along the mid-block section of A Avenue was 587 vehicles based on traffic volume data obtained on October 4<sup>th</sup> and 5<sup>th</sup>, 2016.
- The proposed Frank Subaru Superstore project would generate a total of 1,100 trips per day, which includes 550 relocated existing daily trips and 550 new daily trips.
- The addition of traffic generated by the combination of the A Avenue street closure and the proposed Frank Subaru Superstore project would result in significant impacts at the intersection of National City Boulevard & 28<sup>th</sup> Street under both near-term conditions and long-term conditions.
- The results of the signal warrant analysis showed that the peak hour warrant was satisfied during the PM peak hour under long-term with project conditions.
- To mitigate the project-related significant impacts under near-term and long-term conditions, it is recommended that the project install a traffic signal at the intersection of National City Boulevard & 28<sup>th</sup> Street.

## NOTICE OF PUBLIC HEARING

STREET VACATION VACATING A SEGMENT OF A AVENUE  
LOCATED SOUTH OF EAST 28<sup>TH</sup> STREET AND NORTH OF EAST 29<sup>TH</sup> STREET.  
CASE FILE NO.: 2013-23 SC

The National City Council will hold a public hearing after the hour of 6:00 p.m. Tuesday, **December 6, 2016**, in the City Council Chambers, Civic Center, 1243 National City Boulevard, National City, California, on the proposed street vacation (Applicant: Frank Motors). The applicant proposes to vacate approximately 250 feet of the 60-foot wide right-of-way between East 28<sup>th</sup> Street and East 29<sup>th</sup> Street (closed in 1968). The proposed right-of-way to be vacated currently provides access to the two adjacent properties occupied by Frank Motors. The vacation would make the business more efficient and would facilitate future expansion of the business. This Vacation Proceeding is conducted under Division 9, Part 3, Chapter 3, of the California Streets and Highways Code. A map referencing the proposed street and alley vacation is on file at the National City Planning Department.

The Planning Commission found the proposed Street Vacation in conformance with the National City General Plan at their meeting of November 17, 2014 by unanimous vote.

Any person interested in this matter may appear at the above time and place and be heard. Members of the public are invited to comment. Written comments should be received by the National City Planning Department on or before 5:30 p.m., **December 6, 2016**.

If you challenge the nature of the proposed action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the public hearing entity conducting the hearing at, or prior to, the public hearing.

PUBLISH IN THE SAN DIEGO UNION TRIBUNE Friday, November 25 and December 2, 2016.

The following page(s) contain the backup material for Agenda Item: An Ordinance of the City Council of the City of National City adopting the 2016 California Fire Code & the National Fire Protection Association Standards. Including the 2016 California Building, Mechanical, Electrical, Plumbing, Residential, Energy, Gree

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.** |

**ITEM TITLE:**

An Ordinance of the City Council of the City of National City adopting the 2016 California Fire Code & the National Fire Protection Association Standards. Including the 2016 California Building, Mechanical, Electrical, Plumbing, Residential, Energy, Green & Grading Codes & 2014 National Electrical Code. In addition all Appendices related to the codes described above.

**PREPARED BY:** Robert Hernandez / Fire Marshal &  
Luis Sainz/Building Official

**DEPARTMENT:** Fire/Building

**APPROVED BY:** 

**PHONE:** 336-4552 & 336-4214

**EXPLANATION:**

State law requires that the City of National City adopt the California Fire, Building, Mechanical, Electrical, Plumbing, Residential, Energy, Green & Grading Codes, 2016 Editions subsequently these codes are being submitted for adoption. Technical amendments made to those codes are needed due to topographical, geographical, or climatic conditions. Specific findings regarding the local technical amendments must be made by the local jurisdiction and filed with the Department of Housing and Community Development. State law does not restrict local amendments to the administrative provisions of the codes.

In the interest of public safety we will update our municipal code and now require that any site build CMU and concrete walls/fences over 4 feet high from the bottom of the footing to the top of the wall will require building plans and permits.

**FINANCIAL STATEMENT:**

**ACCOUNT NO.** N/A

**APPROVED:** 

Finance

**APPROVED:** \_\_\_\_\_

MIS

**ENVIRONMENTAL REVIEW:**

N/A

**ORDINANCE:** INTRODUCTION: ☒

FINAL ADOPTION: ☐

**STAFF RECOMMENDATION:**

Introduce the Ordinance

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

Ordinance



ORDINANCE NO 2016 –

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY  
ADOPTING THE 2016 CALIFORNIA FIRE CODE AND THE APPENDICES  
THERETO, ADOPTING THE 2016 CALIFORNIA BUILDING STANDARDS CODE (TITLE 24,  
PART 9 OF THE CALIFORNIA CODE OF REGULATIONS), ADOPTING THE NATIONAL FIRE  
PROTECTION  
ASSOCIATION STANDARDS, AND AMENDING  
CHAPTER 15.28 OF THE NATIONAL CITY MUNICIPAL CODE

The City Council of the City of National City does ordain as follows:

Section 1. The City Council of the City of National City hereby adopts the 2016 California Fire Code, the 2016 California Building Standards Code (Title 24, Part 9 of the California Code of Regulations), the Appendices thereto, and the National Fire Protection Association Standards except as amended in Chapter 15.28 of the National City Municipal Code.

Section 2. The City Council finds that, consistent with their findings in 2013, under Ordinance NO 2013-2387, the amendments being made in this Chapter 15.28 are reasonably necessary because of local climatic, geological, or topographical conditions: namely, that the age of structures, separation and density create an increased risk of conflagration meriting more stringent standards. A copy of this ordinance shall be filed with the Office of the State Fire Marshal and the State Building Standards Commission. This action is taken pursuant to Health and Safety Code sections 17958.7 and 18941.5.

Section 3. The City Council of the City of National City hereby amends and deletes certain sections of the 2016 California Fire Code, based on local climatic, topographic or geological conditions that justify deviating from that Code.

Section 4. The City Council of the City of National City hereby amends Title 15, Chapter 15.28 to read as follows:

CHAPTER 15.28  
CALIFORNIA FIRE CODE

Sections:

- 15.28.002 Findings and declarations.
- 15.28.010 2016 California Fire Code – Adopted and amended.
- 15.28.020 Establishment and duties of fire prevention bureau.
- 15.28.030 Definitions.
- 15.28.035 Establishment of limits of districts in which storage of cryogenic fluids in stationary containers is prohibited – Amended.

**Commented [NP1]:** Are the NFPA standards separate or part of the 2016 fire code? Are these different documents are part of the same? **Robert Hernandez - The NFPA Standard are supplemental to the California Fire Code**

**Commented [NP2]:** I would explain in your staff report that the amendments to the NCMC are not changing from 2013; we are doing the same amendments we did back in 2013 with the adoption of the 2013 code. Also explain what changes if any the 2016 Fire Code made. I want to make it clear that sections have not changed, and we are not changing anything from 2013 except adopting the 2016 code. I would point out the changes from the 2013 fire building code however. (changes of state law) **Robert Hernandez Correct, other than 15.28.140 Appeals. We are changing the NCMC to paralelle the 2016 CFC section 108.3 Qualifications. (See attched)**

**Commented [NP3]:** I am assuming we are making the same amendments as we did when we adopted the 2013 code. **Robert Hernandez - yes the same ammendments**

- 15.28.040 Establishment of limits of districts in which storage of Class I and II liquids in outside aboveground tanks is prohibited – Amended.
- 15.28.050 Establishment of limits in which storage of liquefied petroleum is prohibited – Amended.
- 15.28.060 Establishment of Limits for Storage of Explosives and Blasting Agents is to be Prohibited – Amended.
- 15.28.070 Amendments made to the 2016 California Fire Code.
- 15.28.080 Section ~~404.5~~ 102.7 "Referenced Codes" – Amended.
- 15.28.085 Section 307.4.1 "Bonfires" – Amended.
- 15.28.090 Section 307.4.2 "Recreational Fires" – Amended.
- 15.28.100 Section ~~404.6.1~~ 1013.6.1 "Graphics" – Amended.
- 15.28.110 Section 5704.3.3.9 "Storage of Empty Wooden or Plastic Pallets" – Supplemented.
- 15.28.120 Section 503.2.7 and Appendix Section D103.2 "Grade" – Amended.
- 15.28.130 Section 503.6 "Security Gates" – Amended.
- 15.28.140 Appeals. (Discuss with legal)
- 15.28.150 New materials, processes or occupancies, which may require permits.
- 15.28.160 Penalties.

15.28.002 Findings and declarations. The City Council of the City of National City, does specifically and expressly find and declare that the nature and uniqueness of the local climate, geographical and topographical conditions in the City of National City does reasonably necessitate and demand specific changes in and variations from the 2016 California Fire Code, which are noted in and made part of this chapter as authorized by Health and Safety Code Sections 17958.7 and 18941.5. These conditions result from the age and concentration of structures and the increased risk of conflagration spread as a result.

15.28.010 2016 California Fire Code – Adopted and amended. There is adopted by the city council of the City of National City for the purpose of prescribing regulations governing conditions hazardous to life and property from fire, hazardous materials or explosion and establishing a fire prevention bureau, the 2016 California Fire Code, and the appendices thereto, including both Administration Divisions I and II, published by the International Code Council and the California Building Standards Commission, and the National Fire Protection Association Standards (current edition) published by the National Fire Protection Association, save and except such portions as are hereinafter deleted, added, or amended. Within this chapter, those codes may be collectively referred to as the California Fire Code. One copy of this adopted code is on file in the office of the ~~fire-chief~~ Fire Marshal of the City of National City. The code is adopted and incorporated as fully as if set out as length herein, and from the date on which this chapter shall take effect, shall be controlling within the limits of the City of National City.

**Commented [NP4]:** ARe there some words missing from here? Does not read right. A comma which I added may help. **Robert Hernandez** - comma did help – good as is now

15.28.020 Establishment and duties of fire prevention bureau.

A. The California Fire Code shall be enforced by the fire prevention bureau in the fire department in the City of National City, which is established and shall be operated under the supervision of the chief of the fire department.

B. The battalion chief/fire marshal in charge of the fire prevention bureau shall be appointed by the chief of the fire department of the City of National City.

C. The director of emergency services may detail members of the fire department as inspectors as shall from time to time be necessary. The chief of the fire department shall recommend to the city manager of National City the employment of technical inspectors, who, when such authorization is made, shall be selected through an examination to determine their fitness for the same position.

15.28.030 Definitions.

A. The word "jurisdiction" used in the 2016 California Fire Code means the City of National City.

B. Whenever the words "chief of the bureau of fire prevention" are used in the California Fire Code they shall be held to mean the fire marshal of the City of National City.

C. Where reference to the Uniform Building Code, or Building Code, or any Nationally Recognized Standard is made, it means the currently adopted edition.

D. Where the word "Administrator" is used in the California Fire Code, it shall be held to mean the city council of the City of National City. Whenever the term "City" is used it means the City of National City.

E. Where the term "corporation counsel" is used in the California Fire Code, it shall be held to mean the city attorney for the City of National City.

F. "Fire authority having jurisdiction (FAHJ)" means the designated entity providing enforcement of fire regulations as they relate to planning, construction and development. This entity may also provide fire suppression and other emergency services.

G. Whenever the term "this code" is used it means the 2016 California Fire Code as modified by the City of National City with the deletions, amendments, and additions contained in this chapter.

H. Whenever the terms "chief", "fire chief", "chief of the fire department" are used they mean the "director of the department of emergency services".

15.28.035 Establishment of limits of districts in which storage of cryogenic fluids in stationary containers is prohibited – Amended. Section 5504.3 of the 2016 California Fire Code is amended to read as follows:

The Establishment of Limits for Storage of Flammable Cryogenic Fluids.  
The storage of flammable cryogenic fluids is prohibited in all areas within the City limits of National City, except within the following zones as established by the National City Land Use Code: MM and IM; Medium Manufacturing; MH and IH; Heavy Manufacturing; MT–Tidelands Manufacturing.

15.28.040 Establishment of limits of districts in which storage of Class I and II liquids in outside aboveground tanks is prohibited – Amended. Sections 5704.2.9.6 and 5706.2.4.4 of the 2016 California Fire Code are amended to read as follows:

All areas within the city limits of the City of National City except for those areas zoned commercial or manufacturing, as established, defined, and set under the zoning regulations in Title 18 of the National City Municipal Code.

15.28.050 Establishment of limits in which storage of liquefied petroleum gases is prohibited – Amended. Section 6104.2 of the 2016 California Fire Code is amended to read as follows:

All areas within the city limits of the City of National City, except for those areas zoned commercial or manufacturing, as established, defined, and set under zoning regulations in Title 18 of the National City Municipal Code.

15.28.060 Establishment of Limits for Storage of Explosives and ~~Blasting Agents~~ Fireworks is to be Prohibited – Amended. Chapter 56 of the 2016 California Fire Code is amended to read as follows:

The permanent storage of explosives and/or ~~blasting agents~~ Fireworks shall be strictly prohibited within the city limits of the City of National City. Temporary storage may be allowed, by permit, during setup for excavation, demonstration, or other use, when in the opinion of the fire marshal, there are significant measures in place to ensure public safety.

15.28.070 Amendments made to the 2016 California Fire Code. The geographical density of the City of National City, the dry southern California climate, which is subject to annual drought conditions, make the following amendments set out in Sections 15.28.080 through 15.28.130 necessary and meet the conditions described in Section 15.28.002, Findings and declarations.

15.28.080 Section ~~401.5- 102.7~~ "Referenced Codes" – Amended. Section of the 2016 California Fire Code is amended to read as follows:

~~401.5-102.7~~ The codes, standards and publications adopted and set forth in this code, including other codes, standards and publications referred to therein are, by title and their most current edition, hereby adopted as standard reference documents of this code. When this code does not specifically cover any subject related to building design and construction, recognized fire engineering practices shall be employed. The National Fire Codes and the Fire Protection Handbook of the National Fire Protection Association are permitted to be used as authoritative guides in determining recognized fire-prevention engineering practices.

15.28.085 Section 307.4.1 "Bonfires" – Amended. Section 307.4.1 of the 2016 California Fire Code is amended to read as follows:

307.4.1 Bonfires. Bonfires are strictly prohibited within the City Limits.



15.28.090 Section 307.4.2 "Recreational Fires" – Amended. Section 307.4.2 of the California Fire Code is amended to read as follows:

307.4.2 Recreational Fires. Recreational Fires are strictly prohibited within the City limits.

15.28.100 Section ~~4011.6.1~~ Section 1013.6.1 "Graphics" – Amended. Section ~~4011.6.1~~ 1013.6.1 of the 2016 California Fire Code is amended to read as follows:

~~4011.6.1.~~ 1013.6.1 Graphics. Every exit sign and directional exit sign shall have plainly legible letters not less than 6 inches (152 mm) high with the principal strokes of the letters not less than 0.75 inch (19.1 mm) wide. The word "EXIT" shall have letters having a width not less than 2 inches (51 mm) wide, except the letter "I," and the minimum spacing between letters shall not be less than 0.375 inch (9.5 mm). Signs larger than the minimum established in this section shall have letter widths, strokes and spacing in proportion to the height.

The word "EXIT" shall be green in color and in high contrast with the background and shall be clearly discernible when the means of exit sign illumination is or is not energized. If a chevron directional indicator is provided as part of the exit sign, it shall be green in color, the construction shall be such that the direction of the chevron directional indicator cannot be readily changed.

15.28.110 Section 5704.3.3.9 "Storage of Empty Wooden or Plastic Pallets" – Supplemented. The following is added to Section 5704.3.3.9 as follows:

Storage of Empty Wooden or Plastic Pallets. The storage of empty wooden or plastic pallets is prohibited, except as follows:

1. Outdoor Storage. Pallets may be stored outside of a building or in a detached building. Pallets shall not be stacked closer than 5 feet from any building.

2. Indoor Storage. Pallets shall not be stored indoors unless the premises are protected with an automatic fire sprinkler system in accordance with NFPA Standard 13, section titled Protection of Idle Pallets, except when both of the following conditions are met:

- a. Pallets are stored no higher than 6 feet.
- b. Each pallet pile of no more than 4 stacks shall be separated from other pallet piles by at least 8 feet of clear space and 25 feet from any commodity.

15.28.120 Section 503.2.7 and Appendix Section D103.2 "Grade" – Amended. Sections 503.2.7 and Appendix Section D103.2 of the 2016 California Fire Code are amended to read as follows:

503.2.7 and Appendix Section D103.2 Grade. The maximum permitted gradient for a fire apparatus access road shall not exceed 15%.

15.28.130 Section 503.6 "Security Gates" – Amended. Section 503.6 of the 2016 California Fire Code is amended as follows:

All gates or other structures or devices which could obstruct fire access roadways or otherwise hinder emergency operations are prohibited unless they meet standards approved by the Chief, and receive Specific Plan Approval.

All automatic gates across fire access roadways and driveways shall be equipped with an approved key-operated switches overriding all command functions and opening the gate(s). Gates accessing more than four residences or residential lots, or gates accessing hazardous institutional, educational or assembly occupancy group structures, shall also be equipped with an approved emergency traffic control-activating strobe light sensor(s), or other devices approved by the Chief, which will activate the gate on the approach of emergency apparatus with a battery back-up or manual mechanical disconnect in case of power failure.

All automatic gates must meet fire department policies deemed necessary by the Chief for rapid, reliable access.

~~15.28.140 Appeals. Whenever the director of the department of emergency services or his/her duly authorized representative disapproves an application or refuses to grant a permit applied for, or when it is claimed that the provisions of the code have been misconstrued or wrongly interpreted, the applicant may appeal the decision to the city council, as established by and pursuant to Chapter 15.04.~~

15.28.150 New materials, processes or occupancies, which may require permits. The building and safety director, the chief of the fire department and the fire marshal shall act as a committee to determine and specify, after giving effected persons an opportunity to be heard, any new materials, processes or occupancies which shall require permits in addition to those now enumerated in said code. The fire marshal shall post such list in a conspicuous place in his/her office and distribute copies thereof to interested parties.

15.28.160 Penalties. Any person who shall violate any of the provisions of the 2016 California Fire Code adopted or any order made thereunder, or who shall build in violation of any detailed statement of specifications or plans submitted and approved is guilty of a misdemeanor.

PASSED and ADOPTED this day of December, 2016.

\_\_\_\_\_  
Ron Morrison, Mayor

ATTEST:

APPROVED AS TO FORM:

Michael R. Dalla, City Clerk

City Attorney

Ordinance No. 2016 –  
Aopted:

7

Amending NCMC Chapter 15.28  
2013 Fire Code

The following page(s) contain the backup material for Agenda Item: An Ordinance of the City Council of the City of National City amending Sections 2.60.035, 2.60.250, and 2.60.270 of the National City Municipal Code related to the City Managers Contracting Authority. (City Attorney)



**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.** |

**ITEM TITLE:**

An Ordinance of the City Council of the City of National City amending Sections 2.60.035, 2.60.250, and 2.60.270 of the National City Municipal Code pertaining to the City Manager's Contracting Authority.

**PREPARED BY:** Roberto Contreras  
Deputy City Attorney *Roc*

**DEPARTMENT:** City Attorney

**PHONE:** Ext. 4412

**APPROVED BY:** *[Signature]*

**EXPLANATION:**

The revisions to Sections 2.60.035, 2.60.250, and 2.60.270 of the National City Municipal Code (NCMC), pertaining to the City Manager's contracting authority, address the City's recent adoption of NCMC Chapter 2.62 (Alternative Cost Accounting).

First and foremost, the revisions correct a dollar amount discrepancy between Section 2.01(t) and 2.60.035(B) regarding the City Manager's contracting authority. Other components are "clean-up" provisions that delete any reference to the City's old public contracting procedures, and inserts references to the new Alternative Cost Accounting procedures.

**FINANCIAL STATEMENT:**

**ACCOUNT NO.** |

N/A

**APPROVED:** \_\_\_\_\_ **Finance**

**APPROVED:** \_\_\_\_\_ **MIS**

**ENVIRONMENTAL REVIEW:**

N/A

**ORDINANCE:** INTRODUCTION: ☒ FINAL ADOPTION: ☐

**STAFF RECOMMENDATION:**

Introduce proposed ordinance

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

Proposed ordinance

ORDINANCE NO. 2016 –

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY  
AMENDING SECTIONS 2.60.035, 2.60.250, AND 2.60.270  
OF THE NATIONAL CITY MUNICIPAL CODE RELATED TO  
THE CITY MANAGER'S CONTRACTING AUTHORITY

WHEREAS, pursuant to the terms and provisions of the Government Code of the State of California, proceedings were duly initiated for the amendment of the National City Municipal Code; and

WHEREAS, the City Council of the City of National City approved Ordinance No. 2016-2413 titled "Ordinance of the City Council of the City of National City adding Chapter 2.62 to the National City Municipal Code adopting Informal Bidding Procedures under the Uniform Public Construction Cost Accounting Act" which added Chapter 2.62 to the National City Municipal Code; and

WHEREAS, after passing Ordinance No. 2016-2413 that dealt with Public Project amounts over which the city manager has authority to approve, the City Council of the City of National City wishes to amend other areas of the National City Municipal Code so that dollar amounts of the city manager's contracting authority are consistent throughout the National City Municipal Code; and

WHEREAS, after passing Ordinance No. 2016-2413 certain other areas of the National City Municipal Code must be amended to be consistent with and properly reflect that the City of National City has adopted Uniform Public Construction Cost Accounting Act (the "Act") and the provisions of Chapter 2.62.

NOW, THEREFORE, the City Council does ordain as follows:

Section 1. Sections 2.60.035, 2.60.250, and 2.60.270 of Chapter 2.60 of the National City Municipal Code are hereby amended to read as follows:

2.60.035 Establishment of bid limits and contracting and award authority.

A. Formal bid limits and requirements are established for purchases and contracts exceeding fifty thousand dollars (\$50,000). Informal bid limits are established for purchases and contracts exceeding two thousand five hundred dollars (\$2,500).

B. The city manager shall have the authority to approve, execute, and award purchases and contracts not exceeding fifty thousand dollars (\$50,000). The purchasing agent shall have the authority to approve, execute, and award purchases and contracts not exceeding fifteen thousand dollars (\$15,000). The city council shall, by resolution, approve all purchases and contracts exceeding fifty thousand dollars.

2.60.250 Services, supplies and equipment not governed by this chapter.

The following services, supplies, and equipment shall not be subject to the competitive bidding provisions of this chapter, except that the procurement and contracting authority based on the

monetary limits specified in this chapter shall also be applicable to the authority to execute contracts for such procurements:

- A. "Public projects" as defined in Section 22002 of the California State Public Contract Code and as referenced in section 22030, et. seq.
- B. Utility services and related charges;
- C. Work or services performed by another public or quasi-public entity;
- D. Real property purchases and related title and escrow fees;
- E. Credit card purchases of gasoline, oil or emergency automotive needs;
- F. Transportation and freight charges when not specifically included on a purchase order;
- G. Insurance and bond premiums;
- H. Advertising;
- I. Real property leases;
- J. Demolition or abatement of dangerous structures or hazardous or unsafe conditions;
- K. Professional services agreements governed by Section 2.60.270 of this chapter; or
- L. Alternative Bid Procedures for Public Projects governed by Chapter 2.62.

2.60.270 Authorization and change orders for professional services agreements and public works contracts, and for previously authorized procurements.

In addition to the authority granted for procurement of supplies and equipment, the city manager is authorized to execute public works contracts, agreements for professional services for architectural, engineering, environmental, land surveying or construction project management pursuant to Section 4526 of the Government Code, and agreements for services of other professionals required for the proper, efficient administration of the city. The city manager shall approve and execute all contracts according to the limits of the manager's approval authority established in Section 2.60.035 of this chapter, and may approve change orders for previously authorized procurements of supplies and equipment, professional services agreements and public works contracts in amounts not exceeding an aggregate of twenty-five percent over the original authorized contract price or the limits established in Section 2.60.035 of this chapter for the city manager, whichever is greater, without prior city council approval. Engagement of qualifying professional vendors shall be based upon demonstrated competence and the qualifications necessary for the satisfactory performance of the city's requirements in accordance with the procedures set forth in the document entitled "Procedures for Selection of Professional Services Firms" on file in the office of the city clerk.

Section 2. This Ordinance shall take effect and be in force thirty (30) days from the date of its passage, and before the expiration of fifteen (15) days after its passage, it or a summary of it, shall be published once, with the names of the members of the City Council voting for and against the same in the San Diego Union-Tribune, a newspaper of general circulation published in the County of San Diego, California.

Section 3. The city council declares that the judicial invalidity of any subsection or portion of this chapter shall not affect the validity of any other remaining section or portion; that the city council would have adopted each of those remaining portions, notwithstanding any later



declared invalidity. If any provision determined invalid under the preceding sentence can either be judicially severed or interpreted in a way that could harmonize it with the remaining provisions, then it may be severed or interpreted and applied so as to give full purpose, meaning, and effect to the remaining provisions of this chapter.

Section 4. The proposed action is exempt from the California Environmental Quality Act ("CEQA") under section 15061(b)(3) — general rule; the project is not considered a project under CEQA as there is no possibility that the activity raised by this ordinance may have a significant impact on the environment; the city recently adopted new competitive bidding requirements, and, by this ordinance, is ensuring that related portions of the municipal code are consistent with the dollar amounts of the city manager's powers.

PASSED and ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Ron Morrison, Mayor

ATTEST:

\_\_\_\_\_  
Michael R. Dalla, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
George H. Eiser, III  
Interim City Attorney



The following page(s) contain the backup material for Agenda Item: Resolution of the City Council of the City of National City approving a 4.48% salary adjustment for the Part-Time and Seasonal employee group effective January 1, 2017; and moving the classifications of Part-Time Property and Evidence Specialist I and Pol

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.** |

**ITEM TITLE:**

Resolution of the City Council of the City of National City approving a 4.48% salary adjustment for the Part-Time and Seasonal employee group effective January 1, 2017; and moving the classifications of Part Time Property and Evidence Specialist I and Police Dispatcher from ranges pt132 and pt160, respectively to pt127 and pt156, respectively.

**PREPARED BY:** Stacey Stevenson

**DEPARTMENT:** Human Resources

**PHONE:** 336-4308

**APPROVED BY:**



**EXPLANATION:**

Refer to attached staff report.

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ **Finance**

**ACCOUNT NO.**

The estimated fiscal impact for Fiscal Year 2017 is \$22,945. Impacted departments may be able to absorb a portion of the estimated increase through salary savings. Any required adjustments to appropriations will be requested in the Fiscal Year 2017 Mid-Year budget package.

**ENVIRONMENTAL REVIEW:**

This is not a project and is therefore not subject to environmental review.

**ORDINANCE:** INTRODUCTION: ☐

FINAL ADOPTION: ☐

**STAFF RECOMMENDATION:**

Adopt the resolution approving the 4.48% salary adjustment for the Part-Time and Seasonal employee group and the range movement for Property and Evidence Specialist I and Police Dispatcher to salary ranges pt127 and pt156, respectively.

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

Staff Report  
Resolution



## City Council Staff Report

December 6, 2016

### ITEM

Staff Report: Resolution of the City Council of the City of National City approving a 4.48% salary adjustment for the Part-Time and Seasonal employee group effective January 1, 2017; and moving the classifications of Part Time Property and Evidence Specialist I and Police Dispatcher from ranges pt132 and pt160, respectively to pt127 and pt156, respectively.

### BACKGROUND

On September 25, 2013, California Governor Jerry Brown signed Assembly Bill 10 (AB 10), approving a \$2 minimum wage increase. AB 10 increased the State's minimum wage from \$8.00 to \$10.00 in two steps: a \$1.00 increase in July, 2014; and a \$1.00 increase in January, 2016. All hourly employees of the City of National City are assigned to a job classification. Each job classification in turn is assigned to a salary range with each range having five (5) pay steps. In response to the July, 2014 minimum wage increase, those employees compensated at a rate of pay below \$9.00 were granted pay increase in the form of a step increase within their pay range, placing them at the next highest pay step at or above \$9.00. Having applied the step increase method in 2014, the top pay step of the range for some employees was below \$10.00.

In December 15, 2015, in preparation for the January, 2016 minimum wage increase to \$10.00, the City Council of the City of National City approved salary adjustments in the form of moving those employee classifications with top steps below \$10.00 to a higher range. The change in ranges also necessitated adjusting other employees in the same job family in the form of step increases in order to maintain the appropriate pay differentials. In all cases, over both years, the employees impacted are members of the City's Part-Time and Seasonal employee group.

On April 4, 2016 California Governor Jerry Brown signed Senate Bill 3 (SB 3) which increases California's minimum wage each year until it reaches \$15 on January 1, 2022 as follows:

- January 1, 2017: the minimum wage will increase to \$10.50 per hour.
- January 1, 2018: the minimum wage will increase to \$11 per hour.
- January 1, 2019: the minimum wage will increase to \$12 per hour.
- January 1, 2020: the minimum wage will increase to \$13 per hour.
- January 1, 2021: the minimum wage will increase to \$14 per hour.
- January 1, 2022: the minimum wage will increase to \$15 per hour.

Staff Report – Resolution of the City Council of the City of National City approving a 4.48% salary adjustment for the Part-Time and Seasonal employee group January 1, 2016.  
December 6, 2016

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The purpose of this item is to seek City Council authority to adjustment employee compensation in response to the planned January 1, 2017 minimum wage increase.

## **DISCUSSION**

As discussed above, the State of California, through SB 3, has mandated an increase in minimum wage in annual increments until it reaches \$15.00 on January 1, 2022. On January 1, 2017, minimum wage is scheduled to increase from the current \$10.00 per hour to \$10.50 per hour. Under the current City of National City salary schedule for Part-Time and Seasonal employees, there are seven (7) job classifications for which the top pay step is below \$10.50, three (3) of which are active classifications with incumbents: Dishwasher, Recreation Aide and Recreation Leader I. At a minimum, it is necessary to increase the hourly wage of the three active classifications (Dishwasher, Recreation Aide and Recreation Leader I) in compliance with State law. The top pay step for the lowest paid classifications, including Dishwasher and Recreation Aide is \$10.05 which is 4.48% below \$10.50.

In analyzing this matter, in addition to meeting compliance with State law, staff considered other factors such as: the impact of increasing the hourly wage for the above referenced employee classifications on other classifications in the same job family (compaction); and the compensation of City of National City employees compared to the local market (defined as cities within San Diego County). Should an increase be granted on a limited basis (as defined as the three (3) classifications noted above), such an action will result in compaction within the associated job families. In addition, to continue to increase the lowest classifications without increasing all of the classifications in the full compensation group will result in a broader compaction in which the compensation relationships between different job families becomes compacted or reverses.

In December, 2015, the City commissioned a compensation survey. Completed in March, 2016, the study identified a number of classifications, City-wide, that were significantly below the average of the local market, including classifications within the Part-Time and Seasonal employee group. For those benchmark Part-Time and Seasonal classifications that were included in the survey and for which sufficient survey matches were found, the average rate of pay (based on top step) for National City employees was 22.3% below market.

Should the City continue to limit the salary adjustments to the minimum necessary to meet the State mandated minimum wage, the compaction issues and market inequities will continue to grow. Therefore, in response to the State mandated increase in minimum wage; internal compaction; and the relationship to the local market, staff recommends increasing all the salary ranges for the Part-Time and Seasonal employee group by 4.48%.

Should the City Council accept this recommendation, staff further recommends that the Property and Evidence Specialist I classification be moved from range pt132 (\$22.49/hour) to pt127 (\$22.52/hour) and that the Police Dispatcher classification be moved from range pt160



Staff Report – Resolution of the City Council of the City of National City approving a 4.48% salary adjustment for the Part-Time and Seasonal employee group January 1, 2016.  
December 6, 2016

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(\$29.01/hour) to pt156 (\$29.21/hour). This recommendation is also based on compaction. Under the current salary schedule, should part-time Property and Evidence Specialists I and Police Dispatchers receive an increase of 4.48% their salaries will be greater than their full-time counterparts. The proposed ranges are closest to the current rate of pay for both classifications and will keep the rate of pay within an acceptable range of their full-time counterparts.

## **RECOMMENDATION**

- Increase all of the salary ranges for the Part-Time and Seasonal employee group by 4.48%.
- Move the classifications of part time Property and Evidence Specialist I and Police Dispatcher from ranges pt132 and pt160, respectively to pt127 and pt156, respectively.

## **FISCAL IMPACT**

The estimated fiscal impact for Fiscal Year 2017 is \$22,945. Impacted departments may be able to absorb a portion of the estimated increase through salary savings. Any required adjustments to appropriations will be requested in the Fiscal Year 2017 Mid-Year budget package.

The following page(s) contain the backup material for Agenda Item: Notice of Decision – Planning Commission approval of a Conditional Use Permit for the expansion of a gas station convenience store at 1803 Highland Avenue. (Applicant: Michael Rafo) (Case File 2016-17 CUP) (Planning)

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.**

**ITEM TITLE:**

Notice of Decision – Planning Commission approval of a Conditional Use Permit for the expansion of a gas station convenience store at 1803 Highland Avenue. (Applicant: Michael Rafo) (Case File 2016-17 CUP)

**PREPARED BY:** Jessica Madamba *jm*

**DEPARTMENT:** Planning *ML*

**PHONE:** 336-4381

**APPROVED BY:** 

**EXPLANATION:**

The applicant has applied for a Conditional Use Permit (CUP) to expand an existing gas station convenience store. The project location is a fully developed lot on the corner of Highland Avenue and East 18<sup>th</sup> Street in the Major Mixed Use Corridor (MXC-2) zone. There are four existing structures including the convenience store, a three-bay repair shop, two fuel pump islands and an automatic car wash. The project proposes to expand into one of the repair stalls (364 square feet) and convert a roofed area to part of the store (182 square feet) on the south-facing side of the building. The total size of the convenience store would be 1,103 square feet. A previous CUP (2008-25 CUP) was approved for beer and wine sales and expansion of the store; however, only the alcohol sales portion was exercised.

Planning Commission conducted a public hearing on November 7, 2016. Commissioners asked questions regarding the previous CUP and conditions of approval. The Commission voted to approve the Conditional Use Permit based on attached findings and subject to Conditions of Approval.

The attached Planning Commission staff report describes the proposal in detail.

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ MIS

**ENVIRONMENTAL REVIEW:**

Categorically Exempt pursuant to Class 1 Section 15301 (Existing Facilities)

**ORDINANCE:** INTRODUCTION: ☐ FINAL ADOPTION: ☐

**STAFF RECOMMENDATION:**

Staff concurs with the decision of the Planning Commission and recommends that the Notice of Decision be filed.

**BOARD / COMMISSION RECOMMENDATION:**

The Planning Commission approved the Conditional Use Permit.  
Ayes: Baca, Bush, DeLaPaz, Flores, Garcia, Sendt, Yamane

**ATTACHMENTS:**

- |                                     |                           |
|-------------------------------------|---------------------------|
| 1. Overhead                         | 3. Resolution No. 2016-13 |
| 2. Planning Commission Staff Report | 4. Reduced Plans          |



·2016-17 CUP – 1803 Highland Ave. – Overhead







Item no. **3**  
November 7, 2016

*ML*  
CITY OF NATIONAL CITY - PLANNING DEPARTMENT  
1243 NATIONAL CITY BLVD., NATIONAL CITY, CA 91950

**PLANNING COMMISSION STAFF REPORT**

Title: PUBLIC HEARING – CONDITIONAL USE PERMIT FOR  
THE EXPANSION OF A GAS STATION CONVENIENCE  
STORE LOCATED AT 1803 HIGHLAND AVENUE

Case File No.: 2016-17 CUP

Location: Southeast corner of Highland Avenue and East 18<sup>th</sup> Street

Assessor's Parcel No.: 561-171-18

Staff report by: Jessica Madamba – Planning Technician

Applicant/Property owner: Michael Rafo

Zoning designation: MXC-2 – Major Mixed-Use Corridor

Adjacent land use/zoning:

North: Jack in the Box Restaurant across E. 16<sup>th</sup> St. / MXC-2

East: Commercial and multi-family residential / MXC-1 (Minor  
Mixed-Use Corridor)

South: Wienerschnitzel Restaurant / MXC-2

West: Napa Auto Parts across Highland Ave. / MXC-2

Environmental review: Categorically Exempt pursuant to Class 1 Section 15301  
(Existing Facilities)

Staff recommendation: Approve

## **BACKGROUND**

The property owner has applied for a Conditional Use Permit (CUP) to expand an existing convenience store that is accessory to a gas station. A previous CUP (2008-25 CUP) was approved for beer and wine sales and expansion of the store in 2008; however, only the alcohol sales portion of the CUP was exercised. The property has a Type 20 (Off-Sale Beer and Wine) license from the California Department of Alcoholic Beverage Control (ABC). The convenience store is currently 540 square feet in size. The adjacent repair shop is 1,080 square feet in size and includes three service stalls with roll-up doors. The convenience store expansion would include additional square footage adjacent to the south side of the building and would convert one of the three service stalls. This expansion will add an additional 530 square feet to the existing convenience store.

## **Site Characteristics**

The project site is a fully developed lot on the corner of Highland Avenue and East 18<sup>th</sup> Street. There are four detached structures located on the property – the main building, which houses the convenience store and repair shop, an automatic car wash, and two canopies which cover the fuel pump islands. Access to the property is provided via four driveways, two on Highland Avenue and two on East 18<sup>th</sup> Street. The overall property is 23,958 square feet in size and is located in the Major Mixed-Use Corridor (MXC-2) zone.

## **Proposed Use**

The applicant is proposing to expand the existing convenience store into one of the repair stalls (364 square feet) and to convert a roofed area to part of the store (182 square feet) on the south-facing side of the building. The resultant size of the convenience store would be 1,103 square feet. There is no proposed work for the existing fuel pump islands or the car wash.

The proposed expansion into the repair shop will provide increased display areas for products sold. Currently, beer and wine is located in coolers along a six-foot wall in the back of the convenience store. The project proposes to relocate the coolers to the north wall, which is further from the entrance and would add additional coolers. The total length of wall that would have coolers would be increased to 28 feet, approximately four times as many coolers. The applicant has stated that all of these coolers will display beer and wine.

## **Analysis**

The proposal is consistent with the General Plan in that it meets the intent of the following two General Plan Policies:

Policy LU-2.6 supports development and redevelopment that creates jobs for all income levels. Both the proposed commercial area and construction would create additional job opportunities in the City.

Policy LU-2.9 encourages the designation of land for commercial, office, and service uses sufficient to meet future City needs. The expanded convenience store would provide a commercial service that is in demand by the public and will help support the existing gas station.

#### Land Use Code

The MXC-2 zone permits gasoline service stations with convenience stores subject to a CUP. The existing gas station lacks a CUP, as it was developed prior to the City's CUP requirement for gasoline service stations. Chapter 18.30.190 of the Land Use Code (Service stations and convenience stores with gasoline pumps) requires a CUP for greater than 216 cubic feet of non-automotive product sold at a gas station. Although a CUP for expansion of the store was approved in 2008, it was only partially exercised (alcohol sales only) and that part expired. Another CUP was approved in 1994 for the automatic car wash.

Mailing – All property owners and occupants within a distance of 300 feet are required to be notified of a public hearing for CUP applications, as was done in this case. 110 notices were mailed for this public hearing, including 46 property owners and 64 occupants.

Parking – With the 530 square-foot addition, the convenience store would be 1,103 square feet in size and the repair shop would be 700 square feet in size. Parking for uses is as follows:

- Auto Service – 1 space per 800 square feet (1)
- Convenience Store – 1 space per 250 square feet (5)

The lot currently has eight standard parking spaces and one handicapped-accessible space. There is no specific parking requirement for a gas station; however, most commercial uses require one space for each 250 square feet. In this case, that would be approximately six spaces, which would be provided.

#### Required findings

The Municipal Code contains required findings for Conditional Use Permits. There are six required findings:

1. The proposed use is allowable within the applicable zoning district pursuant to a Conditional Use Permit and complies with all other applicable provisions of the Land Use Code.

The use is allowable within the Major Mixed Use Corridor zone pursuant to a Conditional Use Permit, and the proposed expansion of the convenience store meets the required guidelines in the Land Use Code for service stations and convenience stores with gasoline pumps, as discussed in the staff report.

2. The proposed use is consistent with the General Plan and any applicable specific plan.

General Plan Policy LU-2.9 designates land for commercial, office, and service uses sufficient to meet future city needs. The proposed convenience store expansion accommodates the mixed used location by allowing residents to meet their needs without traveling long distances and help increase job opportunities. Policy LU-2.6 supports development and redevelopment that creates jobs for all income levels. Both the proposed commercial area and construction would create additional job opportunities in the City. There are no specific plans in the area.

3. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity.

The convenience store is currently located on the property and was previously approved for the sale of alcohol. The expansion of the store will contribute to the viability of an existing older business along the Highland Avenue mixed use corridor.

4. The site is physically suitable for the type, density, and intensity of use being proposed, including access, utilities, and the absence of physical constraints.

The property is already fully developed, including the convenience store. The proposal to add additional square footage to the store is consistent with the existing use and is suitable for the property.

5. Granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located.

The proposed modification to expand the convenience store is consistent with the previous approved use and is similar in nature to surrounding area and uses (retail and service commercial).

6. That the proposed project has been reviewed in compliance with the California Environmental Quality Act.

The proposed project has been reviewed in compliance with the California Environmental Quality Act. Staff has determined the proposed use to be categorically exempt from environmental review pursuant to Class 1 Section 15301 (Existing Facilities), for which a Notice of Exemption will be filed subsequent to approval of this Conditional Use Permit. The



Class 1 exemption includes additions to existing structures that will not result in an increase of more than 50 percent of the floor area of the structure before the addition.

**Department and Agency comments**

**Alcohol Sales Concentration/Location** – Per ABC, there are currently seven off-sale licenses authorized for Census Tract (116.01) associated with six alcohol outlets - Red Bird Market has two licenses that are reflected in the report, one active and one that was surrendered. However, it should be noted that no new licenses are being added in this case. The off-sale alcohol outlets in the census tract are:

Name	Address	License Type*	CUP
Highland Arco	1803 Highland Ave.	20	Y
National City Market	220-240 E 18 <sup>th</sup> St.	20	-
Highland Arco	2336 Highland Ave.	20	-
Red Bird Market	2035 Highland Ave.	21	-
Hi-Bev Liquor	2111 Highland Ave.	21	-
Keg N Bottle	2335 Highland Ave.	21	-

\* Type 20 – Off-Sale Beer and Wine  
Type 21 - Off-Sale General

With the exception of Highland Arco, all of these businesses are considered legal non-conforming – they have no Conditional Use Permit. This means that these establishments are not subject to the same strict conditions as a newer business with an approved CUP (e.g., limits on the sale of 22, 32 or 40 oz. malt beverages, single bottles, single wine coolers, no wine greater than 15% alcohol content). The existing convenience store is subject to the most recent Council Policy standards for off-sale alcohol CUP's, and would continue to be subject to said conditions after expansion.

Census tract 116.01 includes the area between East 18<sup>th</sup> Street and East 24<sup>th</sup> Street, and between National City Blvd. and L Avenue (72 square blocks). The attached census tract map shows the location of the subject tract. Per State Alcoholic Beverage Control (ABC) there are currently seven off-sale licenses in this census tract (116.01) where a maximum of three are recommended. Therefore, this census tract is considered by ABC to be over-saturated with regard to alcohol sales outlets. Although the census tract is over-saturated, the convenience store already holds an ABC license and was previously approved for alcohol sales with a CUP. The proposed expansion of the convenience store will not create any additional impacts with regard to alcohol sales than what already exists.

#### Police Department

Crime statistics provided by the Police Department (PD) indicate that the reporting area (Beat 23) had a September 2010 to April 2013 crime rate of 391.9%, above the 120% considered to be a high crime. Crimes are categorized as either Part I or Part II crimes. Part I crimes are serious crimes such as homicide, robbery, assault, burglary, vehicle theft, etc. Part II crimes are less serious in nature and less commonly reported. Part II crimes include simple assault, embezzlement, narcotics, and weapons charges (among others). Alcohol is typically just referenced as a contributing factor to a particular crime (robbery, assault, etc.); therefore, alcohol-specific crimes are harder to monitor. However, PD also provided a Prior Minor Criminal History report, which includes four arrests, one of which was an alcohol-related occurrence. The Alcohol Beverage Control Risk Assessment provided by PD allocated a total of 14 points, which would be considered a Medium Risk. Impacts with regards to additional ABC License issuance are not foreseen.

#### Building Division

Comments were provided by the Building Division require compliance with the 2013 California Building, Electrical, Plumbing, Mechanical, Energy and Fire Codes (included as condition no. 7).

#### Institute for Public Strategies (IPS)

The Institute for Public Strategies provided comments on the proposed CUP application. The convenience store is located in a Youth Sensitive Area, within one mile of two public schools - John A. Otis Elementary School located at 621 East 18<sup>th</sup> Street, and National City Middle School located at 1701 D Avenue. The IPS recommend that if the CUP is approved that owners, management, and staff be required to attend the Responsible Beverage Sales and Service training (covered under condition no. 12). Comments are attached for your review.

#### Conditions of Approval

The Conditions of Approval from the previous Conditional Use Permit (CUP-2008-25) would still apply to the property, unless otherwise modified. Standard Conditions of Approval have been included in the staff report. Additionally, conditions have been added reflecting Building Division, Planning Department, and Fire Departments comments and requirements.

#### Summary

The proposed use is consistent with the General Plan because gasoline stations and accessory convenience stores are a conditionally-allowed use in the MXC-2 zone. The existing gas station lacks a CUP, as it was developed prior to the City's CUP requirement for gasoline service stations. In addition, modification and expansion of the existing convenience store located at the gas station requires a CUP. A CUP was previously approved for the off-site sale of alcohol (CUP 2008-25), as well as a CUP for the automatic car wash (CUP 1994-

2). The proposed expansion would add additional square footage to the existing convenience store and is consistent with the existing use.

### **OPTIONS**

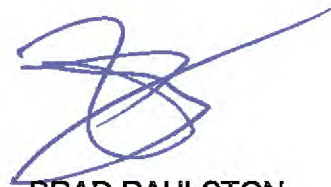
1. Approve 2016-17 CUP subject to the attached conditions, and based on attached findings or other findings as determined by the Planning Commission; or
2. Deny 2016-17 CUP based on findings as determined by the Planning Commission; or
3. Continue the item for additional information

### **ATTACHMENTS**

1. Recommended Findings
2. Recommended Conditions
3. Overhead
4. Department and Agency Comments
5. Census Tract Map and Police Beat Map
6. Public Hearing Notice (Sent to 46 property owners & 64 Occupants)
7. Notice of Exemption
8. Applicant's Plans (Exhibits A, Case File No. 2016-17 CUP, dated 7/11/2016)
9. Council Resolution 2008-251



JESSICA MADAMBA  
Planning Technician



BRAD RAULSTON  
Deputy City Manager



## **RECOMMENDED FINDINGS FOR APPROVAL**

### **2016-17 CUP – 1803 Highland Avenue**

1. That the proposed use is allowable within the applicable zoning district pursuant to a Conditional Use Permit and complies with all other applicable provisions of the Land Use Code, because the use is allowable within the Major Mixed Use Corridor zone pursuant to a Conditional Use Permit, and the proposed expansion meets the required guidelines in the Land Use Code for service stations and convenience stores.
2. That the proposed use is consistent with the General Plan and any applicable specific plans, because General Plan Policy LU-2.6 supports development and redevelopment that creates jobs for all income levels and General Plan Policy LU-2.9 encourages the designation of land for commercial, office, and service uses sufficient to meet future City needs. The expanded convenience store will help support the existing gas station and potentially create additional job opportunities. In addition, the proposed facility is a conditionally-permitted use in Major Mixed Use Corridor zone.
3. That the design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity, because the convenience store is currently located on the property and the expansion of the store would have minimal impact on the site.
4. That the site is physically suitable for the type, density, and intensity of use being proposed, including access, utilities, and the absence of physical constraints, since the property is already fully developed, including the convenience store. The proposal to expand the store is consistent with the existing use and zone, and is suitable for the property.
5. That granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located, because the proposed expansion is consistent with the previously approved use and is similar in nature to surrounding area uses.
6. That the proposed project has been reviewed in compliance with the California Environmental Quality Act, because staff has determined the proposed use to be categorically exempt from environmental review pursuant to Class 1 Section 15301 (Existing Facilities), for which a Notice of Exemption will be filed subsequent to approval of this Conditional Use Permit.



## **RECOMMENDED CONDITIONS OF APPROVAL**

### **2016-17 CUP – 1803 Highland Avenue**

#### **General**

1. This Conditional Use Permit authorizes the expansion of an existing convenience store located at 1803 Highland Avenue. Unless specifically modified by this resolution or subsequent Codes, all previous Conditions of Approval as stated in City Council Resolution No. 2008-251 are still in effect. Plans submitted for permits associated with this project shall conform with Exhibit A, case file no. 2016-17 CUP, dated 7/11/2016.
2. Before this *Conditional Use Permit* shall become effective, the applicant and the property owner both shall sign and have notarized an Acceptance Form, provided by the Planning Department, acknowledging and accepting all conditions imposed upon the approval of this permit. Failure to return the signed and notarized Acceptance Form within 30 days of its receipt shall automatically terminate the *Conditional Use Permit*. The applicant shall also submit evidence to the satisfaction of the Planning Department that a Notice of Restriction on Real Property is recorded with the County Recorder. The applicant shall pay necessary recording fees to the County. The Notice of Restriction shall provide information that conditions imposed by approval of the *Conditional Use Permit* are binding on all present or future interest holders or estate holders of the property. The Notice of Restriction shall be approved as to form by the City Attorney and signed by the Deputy City Manager prior to recordation.
3. *Within four (4) days of approval*, pursuant to Fish and Game Code 711.4 and the California Code of Regulations, Title 14, Section 753.5, the applicant shall pay all necessary environmental filing fees for the San Diego County Clerk. Checks shall be made payable to the *County Clerk* and submitted to the National City Planning Department.
4. This permit shall become null and void if not exercised within one year after adoption of the Resolution of approval unless extended according to procedures specified in the Municipal Code.
5. This permit shall expire if the use authorized by this resolution is discontinued for a period of 12 months or longer. This permit may also be revoked, pursuant to provisions of the Land Use Code, if discontinued for any lesser period of time.
6. This *Conditional Use Permit* may be revoked if the operator is found to be in violation of Conditions of Approval.

#### **Building**

7. Plans submitted for improvements must comply with the current edition of the California Building, Electrical, Plumbing, Mechanical, Energy and Codes. The City currently utilizes the 2013 editions.
8. Call 800-227-2600 (Underground Service Alert) for mark out prior to any digging activities.

### Fire

9. Plans submitted for improvements must comply with the current editions of the California Fire Code (CFC) and National Fire Protection Association (NFPA).
10. All required signage shall be designed and installed to the Fire Department's specifications.
11. The National City Fire Department shall be involved with all fire inspections for this site. Rough inspections are required for all phases of work.

### Planning

12. All sellers and servers of alcohol shall receive Responsible Beverage Service and Sales (RBSS) training, including all owners, and managers. The RBSS training must be certified by the Department of Alcoholic Beverage Control (ABC). Proof of completion of an approved RBSS program must be provided prior to issuance of a city business license. As part of the RBSS training, the permittee shall make available a domestic violence training session as provided by the Institute of Public Strategies.
13. The sale of alcoholic beverages shall be permitted only between the hours of 8:00 a.m. and 12:00 a.m.



CITY OF NATIONAL CITY - DEVELOPMENT SERVICES DEPARTMENT  
1243 NATIONAL CITY BLVD., NATIONAL CITY, CA 91950

July 14, 2016

To: Planning Division

From: Building Division

Subject: Case File No. 2016-17  
1803 Highland Avenue

The proposed expansion of the convenience store at the location listed above shall be constructed as per the 2013 California Building, Electrical, Plumbing, Mechanical, Energy and Fire Codes. If you have any questions regarding this matter please contact me at 619-336-4214, thank you.

Luis Sainz  
Building Official



**NATIONAL CITY POLICE DEPARTMENT**  
**ALCOHOL BEVERAGE CONTROL**  
**RISK ASSESSMENT**

DATE: 08/04/2016

BUSINESS NAME: Highland Service Station

ADDRESS: 1803 Highland Avenue, National City, CA 91950

OWNER NAME: Michael Rafo DOB: 06/21/1988

OWNER ADDRESS: 1851 Sea Pines Road, El Cajon , CA 92019

(add additional owners on page 2)

**I. Type of Business**

- Restaurant (1 pt)
- ✓ Market (2 pts)
- Bar/Night Club (3 pts)
- Tasting Room (1pt)

**II. Hours of Operation**

- Daytime hours (1 pt)
- ✓ Close by 11pm (2 pts)
- Close after 11pm (3 pts)

**III. Entertainment**

- Music (1 pt)
- Live Music (2 pts)
- Dancing/Live Music (3 pts)
- ✓ No Entertainment (0 pts)

**IV. Crime Rate**

- Low (1 pt)
- Medium (2 pts)
- ✓ High (3 pts)

**V. Alcohol Businesses per Census Tract**

- Below (1 pt)
- ✓ Average (2 pts)
- Above (3 pts)

**Notes:**

**Prior Minor Criminal History:**

4/2013-Cite for smoking in public pk

6/2011-Arrest for drunk in public

9/2010-FI for smoking in stadium

9/2004-Arrest for sale of tobacco to minor

**\*\*Michael Rafo is not listed as ABC Lic holder**

**Auday Salem & Raphael Rafo are listed on ABC Lic.**

**Crime rate at 391.9% (High)**

**ABC Tract currently maxed as recommended**



**VI. Calls for Service at Location (for previous 6 months)**

- ✓ Below (1 pt)
- Average (2 pts)
- Above (3 pts)

**VII. Proximity Assessment (1/4 mile radius of location)**

- Mostly commercial businesses (1 pt)
- ✓ Some businesses, some residential (2 pts)
- Mostly residential (3 pts)

Low Risk ( 12pts or less)  
Medium Risk (13 – 18pts)  
High Risk (19 – 24pts)

**Total Points** 14

**VIII. Owner(s) records check**

- No criminal incidents (0 pts)
- ✓ Minor criminal incidents (2 pts)
- Multiple/Major criminal incidents (3 pts)

OWNER NAME: \_\_\_\_\_ DOB: \_\_\_\_\_

OWNER ADDRESS: \_\_\_\_\_

OWNER NAME: \_\_\_\_\_ DOB: \_\_\_\_\_

OWNER ADDRESS: \_\_\_\_\_

**Recommendation:**

Business currently holds a ABC License (#529691). No impact with regards to additional ABC License issuance. Business will expand square footage from 1722sf to 1915sf.

Completed by: Sergeant Shephard Badge ID: 0402

## 1803 Highland Avenue / Crime Rate & Calls for Service

### 1 CFS TOTAL (01JAN2016-Present)

PRIORITY	Count
1	
2	
3	1
4	
5	



#### ABC Report

##### Required Parameters

Reporting Period: 01/01/16 to 07/2016  
Agency: NATIONAL CITY

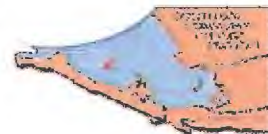
##### Optional Parameters

Geographic Area:  
Group by: Beat

Total Prior 1 Calls and Prior 2 Calls for Agency: 2534  
Total Beat: 14  
Average Total per Beat: 179.6

(Table below is High Crime Area indicated by \*)

Beat	Totals	Average by Beat
1	101	7.21%
2	104	7.32%
3	100	7.11%
4	101	7.21%
5	100	7.11%
6	100	7.11%
7	100	7.11%
8	101	7.21%
9	100	7.11%
10	101	7.21%
11	100	7.11%
12	100	7.11%



## **Environmental Scan for Alcohol License C.U.P.**

### **Highland Service Station**

1803 Highland Avenue, National City, CA 91950

August 1, 2016



Photo of Highland Service Station in National City



Google Earth View of 1803 Highland Avenue and Surrounding Area

This environmental scan is for an expansion of the convenience store and for the change in the approved floor plan for alcohol sales on the existing Conditional Use Permit at the Highland Avenue Service Station located at 1803 Highland Avenue in National City. The business is located on the corner of 18<sup>th</sup> and Highland Avenue in National City. An environmental scan was conducted on Monday, August 1, 2016.

The existing service station has a 540 square-foot convenience store and three-bay repair shop. The property has an approved CUP for beer and wine sales. During a scan of the business and property the following was noted:

The business is located in an area with other local businesses, single-family residences and multi-housing units in the immediate area.



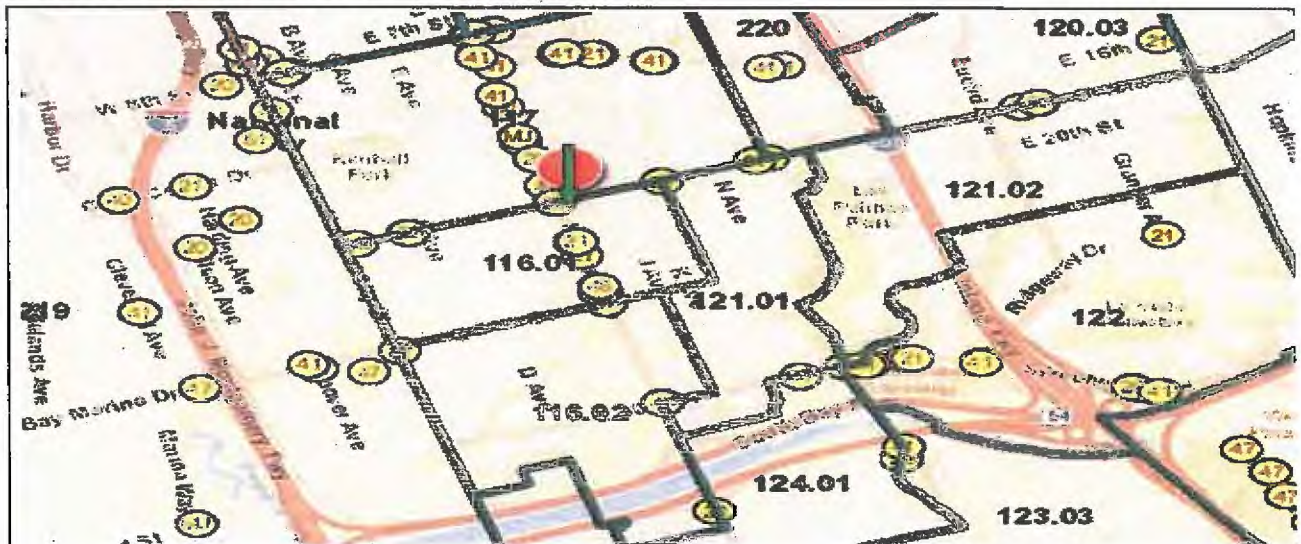
## Youth Sensitive Areas

The business is located near two schools within one mile to include: John A. Otis Elementary School located at 621 E 18th St, National City, CA 91950 and National City Middle School located at 1701 D Ave, National City, CA 91950



## Outlet Density

According to the ABC, three (3) off-sale licenses are authorized for Census Tract 0116.01, the census tract within the area of which 1803 Highland Avenue is located. Currently there are Seven (7) off-sale licenses issued for the Census Tract is 0116.01.



**Green Arrow and Red Pin** Depict Applicant's Location for the Highland Service Station at "1803 Highland Avenue" in National City.

**Yellow Circles** Depict Existing Alcohol Outlets in Applicant's Census Tract and Other Nearby Census Tracts

Map from ABC.CA.Gov Website Showing Alcohol Outlets in National City



### **Census Tracts**

	<b>Off-Sale</b>	<b>On-Sale</b>
<b>Tract 0116.01</b> <i>Establishment is within this tract</i>	Allowed: 3 Actual: 7 Number Above/Below Allowable: +4	Allowed: 7 Actual: 2 Above/Below: -5
<b>Neighboring Census Tracts</b>		
<b>Tract 0117.0</b> <i>Establishment is within this tract</i>	Allowed: 4 Actual: 8 Number Above/Below Allowable: +4	Allowed: 8 Actual: 14 Above/Below: +6

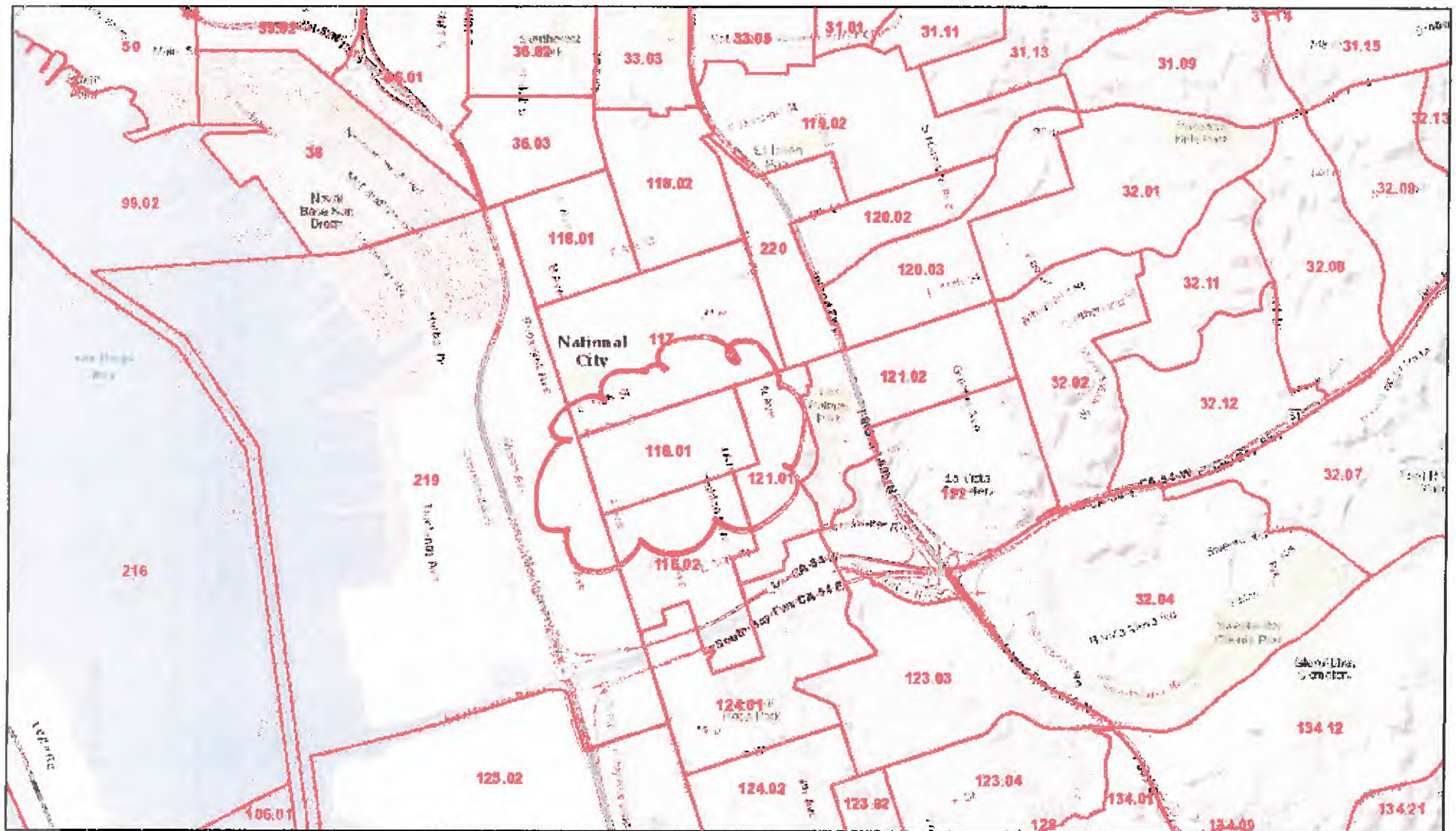
### **Crime Rate**

Refer to National City Police Department for crime data.

### **Considerations**

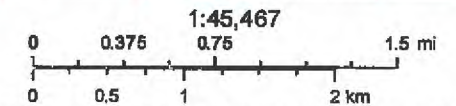
Should the change to the CUP be approved we would recommend that:

Staff, management, and owner be required to attend the Responsible Beverage Sales and Service training.  
Alcohol sales hour should not exceed 10:00 PM.



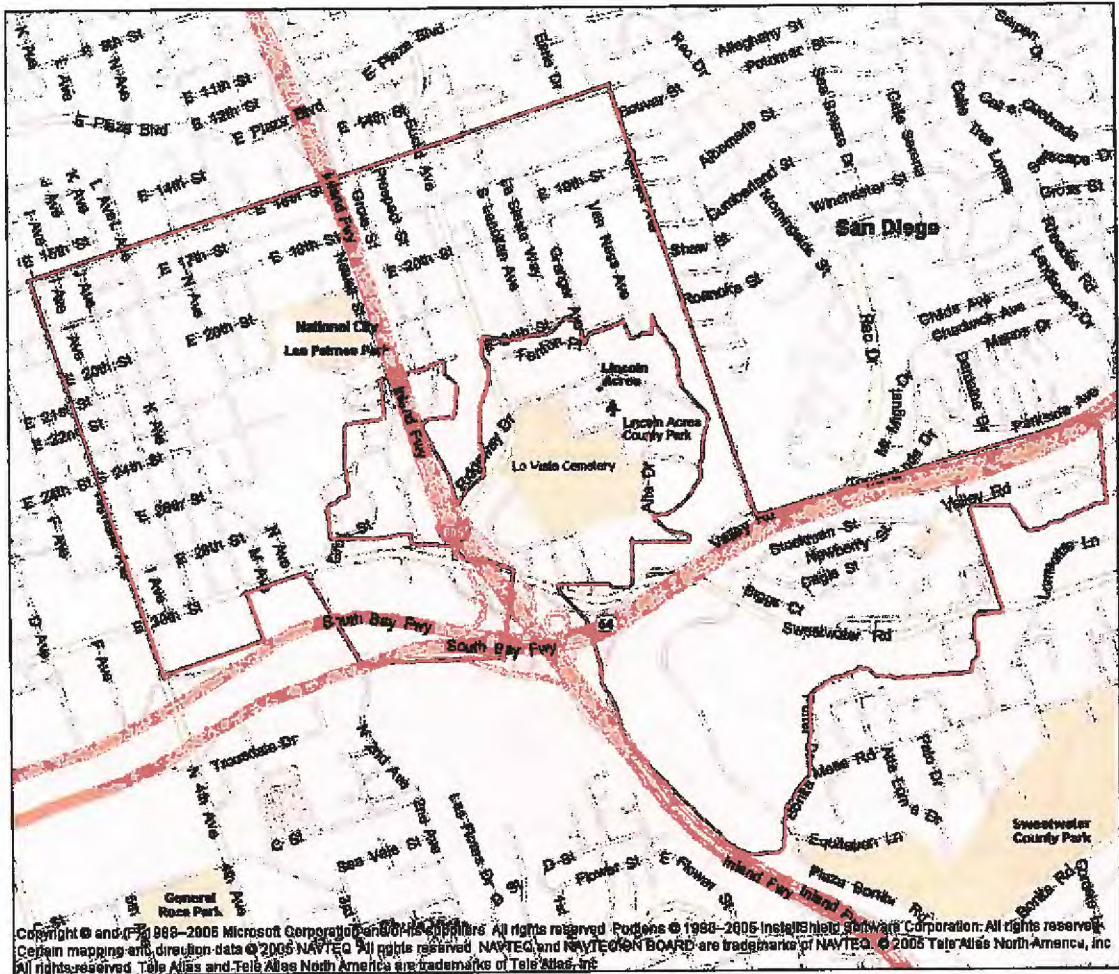
August 25, 2014

CensusTracts 2010



Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community





## City of National City Beat 23

Source: Microsoft Mappoint  
NCPD CAU, 4/18/07



CITY OF NATIONAL CITY - PLANNING DEPARTMENT  
1243 NATIONAL CITY BLVD., NATIONAL CITY, CA 91950

**NOTICE OF PUBLIC HEARING**  
**CONDITIONAL USE PERMIT FOR THE EXPANSION**  
**OF A GAS STATION CONVENIENCE STORE**  
**LOCATED AT 1803 HIGHLAND AVENUE.**  
**CASE FILE NO.: 2016-17 CUP**  
**APN: 561-171-18**

The National City Planning Commission will hold a public hearing after the hour of 6:00 p.m. **Monday, November 7, 2016**, in the City Council Chambers, Civic Center, 1243 National City Boulevard, National City, California, on the proposed request. (Applicant: Michael Rafo)

The applicant wishes to expand an existing gas station convenience store, which will convert one of three existing repair bays to retail space and expand the building to the south by 182 square feet. The store was previously approved to sell beer and wine between the hours of 8 a.m. to 12 a.m. No change in hours of operation is proposed.

Information is available for review at the City's Planning Department, Civic Center. Members of the public are invited to comment. Written comments should be received on or before 12:00 p.m., **November 7, 2016** by the Planning Department, who can be contacted at 619-336-4310 or [planning@nationalcityca.gov](mailto:planning@nationalcityca.gov)

If you challenge the nature of the proposed action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Planning Commission at, or prior to, the public hearing.

NATIONAL CITY PLANNING DEPARTMENT

**BRAD RAULSTON**  
Deputy City Manager





CITY OF NATIONAL CITY - DEVELOPMENT SERVICES DEPARTMENT  
1243 NATIONAL CITY BLVD., NATIONAL CITY, CA 91950

**NOTICE OF EXEMPTION**

TO: County Clerk  
County of San Diego  
P.O. Box 1750  
1600 Pacific Highway, Room 260  
San Diego, CA 92112

**Project Title:** 2016-17 CUP

**Project Location:** 1803 Highland Avenue, National City, CA.

**Contact Person:** Jessica Madamba      **Telephone Number:** (619) 336-4381

**Description of Nature, Purpose and Beneficiaries of Project:**

Conditional Use Permit for the expansion of a convenience store located at an existing gas station, repair shop, and automatic carwash. The convenience store will expand into one of the three existing repair stalls, and create an additional 182 square feet to the south facing side of the building.

**Applicant:**  
Michael Rafo  
1803 Highland Avenue  
National City, CA 91950

**Telephone Number:**  
(619) 994-9878

**Exempt Status:**

☒ **Categorical Exemption. Class 1 Section 15301 (Existing Facilities)**

**Reasons why project is exempt:**

The project consists of a minor conversion and addition of an existing convenience store that will not result in an increase of more than 50 percent of the floor area of the structure before the addition.

Date:

JESSICA MADAMBA  
Planning Technician

**RESOLUTION NO. 2008 – 251**

**RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF NATIONAL CITY  
APPROVING A CONDITIONAL USE PERMIT  
FOR THE EXPANSION OF A FOOD MART AND  
FOR ACCESSORY BEER AND WINE SALES  
AT AN EXISTING GAS STATION LOCATED  
AT 1803 HIGHLAND AVENUE  
APPLICANT: FRED KARIM  
CASE FILE NO. 2008-25 CUP**

**WHEREAS, the City Council of the City of National City considered a Conditional Use Permit for the expansion of a food mart and for accessory beer and wine sales at an existing gas station at 1803 Highland Avenue (APN: 561-171-18), at a duly advertised public hearings held on November 18, 2008, at which time oral and documentary evidence was presented; and**

**WHEREAS, at said public hearing the City Council considered the staff report contained in Case File No. 2008-25 CUP maintained by the City and incorporated herein by reference along with evidence and testimony at said hearing; and**

**WHEREAS, this action is taken pursuant to all applicable procedures required by State law and City law; and**

**WHEREAS, the action recited herein is found to be essential for the preservation of public health, safety, and general welfare.**

**NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of National City, California, that the testimony and evidence presented to the City Council at the public hearings held on November 18, 2008, support the following findings:**

- 1. That the site for the proposed use is adequate in size and shape, since the addition to the existing mini-mart is within an existing building and that the sales area for beer and wine will be no more than 20 percent, or 130 square feet, of the available sales area.**
- 2. That the site has sufficient access to streets and highways that are adequate in width and pavement type to carry the volume and type of traffic generated by the proposed use, since the gas station is existing and the expansion of an existing mini-mart and the addition of alcohol sales is not expected to result in an appreciable increase in traffic.**
- 3. That the proposed use will not have an adverse effect upon adjacent or abutting properties, since the mini-mart already exists and is located in a developed commercial area. Also, conditions of approval controlling the sale of beer and wine will reduce the potential for adverse effects.**
- 4. That the proposed use is deemed essential and desirable to the public convenience and welfare, since it will contribute to the viability of the service station, an established and allowed use in the applicable commercial zone, and will discourage pre-existing nonconforming uses that do not comply with all of the City's current standards for regulating establishments that sell alcoholic beverages.**
- 5. That the major design enhancement of the property will contribute to the viability of an existing older business and to other local businesses along the Highland Avenue commercial corridor.**

6. That public convenience and necessity may be served by the proposed use of the property for the retail sales of alcoholic beverages pursuant to law.

**BE IT FURTHER RESOLVED** that the application for Conditional Use Permit is approved subject to the following conditions:

1. This Conditional Use Permit authorizes the 404 square-foot expansion of a mini-mart and for the sale of beer and wine for off-site consumption at the Highland Service Station located at 1803 Highland Avenue. Except as required by Conditions of Approval, all plans submitted for permits associated with the project shall conform with Exhibit A, Case File No. 2008-25 CUP, dated June 30, 2008.
2. A detailed landscape and underground irrigation plan, including plant species, methods of planting, etc. shall be submitted for review and approval by the Planning Director prior at building permit. The landscape plan shall reflect the use of drought tolerant planting and water conserving irrigation devices, as well as details for hardscape on site, including parking lot striping. The plans shall also show details for the trash enclosure, including a door and cover. The finish of the trash enclosure shall be painted to match other building on site.
3. Exterior colors for the mini-mart and auto repair building shall be shown on building permit plans.
4. Plans must comply with the 2007 editions of the California Building Code, the California Mechanical Code, the California Plumbing Code, the California Electrical Code, California Fire Code and California Title 24 energy and handicapped regulations.
5. Permittee shall comply with all regulatory provisions of the Business and Professions Code, Section 23790.5 (d) (1) through (6), and Section 25612.5 – Retail Operating Standards. Any violation of the aforementioned code sections constitutes a violation of the Conditional Use Permit.
6. The sale of alcoholic beverages shall be permitted only between the hours of 8:00 a.m. and 12:00 a.m.
7. All persons who will be selling alcoholic beverages shall receive L.E.A.D. (Licensee Education on Alcohol and Drugs) training in Responsible Beverage Service from the State Department of Alcoholic Beverage Control or Responsible Hospitality Coalition.
8. The sale of beer or malt beverages in quantities of quarts, 22 ounce, 32 ounce, 40 ounce, or similar size containers is prohibited.
9. No beer and malt beverage products shall be sold of less than six-pack quantities per sale. There shall be no sale of single cans or bottles.
10. No sale of wine shall be sold in containers of less than 750 milliliters, except for wine coolers. Wine coolers may be sold only by four-pack or other manufacturer's pre-packaged multi-unit quantities.

11. The sale of fortified or wine with an alcoholic content greater than 15% by volume is prohibited.
12. The building plans shall indicate the placement of signs on each exterior building wall of the licensed premises that faces a vehicle parking lot, in compliance with Chapter 10.30.070 of the National City Municipal Code that reads: "WARNING It is unlawful to drink an alcoholic beverage or to possess an open alcoholic beverage container in public or in a public parking lot. NCMC 10.30.050 and 10.30.060." The signs shall be installed prior to certificate of occupancy for the addition.
13. Signs shall be posted at each entrance to the applicant's premises prohibiting loitering on or in front of the premises. The signs shall be installed prior to certificate of occupancy for the addition.
14. The consumption of alcoholic beverages is prohibited on the subject premises, and on all parking lots and outbuildings and any property or adjacent property under the control of the applicant.
15. All cups and containers shall be sold at or above prevailing prices and in their original multi-container packages of no fewer than 12, and no cups and containers shall be given free of charge.
16. Ice may be sold only at or about prevailing prices in the area and in quantities of not less than three pounds per sale. Ice shall not be provided free of charge.
17. The rear door(s) of the premises shall be kept closed at all times during the operation of the business except in case of deliveries or emergencies.
18. Exterior advertising and signs of all types, promoting or indicating the availability of alcoholic beverages, including advertising/signs directed to the exterior from within, are prohibited. Interior displays of alcoholic beverages and signs, which are clearly visible to the exterior, shall constitute a violation of this condition.
19. The quarterly gross sales of alcoholic beverages shall not exceed the gross sales of all other commodities during the same period. The applicant shall at all times keep records which reflect separately the gross sales of alcoholic beverages and the gross sales of all other items. Said records shall be kept no less frequently than on a quarterly basis and shall be made available to the City Finance Department and any Peace Officer of the California Department of Alcoholic Beverage Control upon demand.
20. No coin operated games or other devices of entertainment shall be operated on the licensed premises.
21. The maximum display area allowed for the sale of alcohol is 130 square feet and shall be located only within the walk-in cooled storage and coolers as shown on Exhibit A, Case File No. 2008-25 CUP, dated June 30, 2008.



22. Within four (4) days of approval, pursuant to Fish and Game Code Section 711.4 and the California Code of Regulations, Title 14, Section 753.5, the applicant shall pay all necessary environmental filing fees for the San Diego County Clerk. Checks shall be made payable to the County Clerk and submitted to the National City Planning Department.
23. This permit shall become null and void if not exercised within one year after adoption of the Resolution of approval unless extended according to procedures specified in Section 18.116.190 of the Municipal Code.
24. This permit shall expire if the use authorized by this resolution is discontinued for a period of 12 months or longer. This permit may also be revoked, pursuant to provisions of the Land Use Code, if discontinued for any lesser period of time.
25. Before this Conditional Use Permit shall become effective, the applicant and the property owner both shall sign and have notarized an Acceptance Form, provided by the Planning Department, acknowledging and accepting all conditions imposed upon the approval of this permit. Failure to return the signed and notarized Acceptance Form within 30 days of its receipt shall automatically terminate the Conditional Use Permit. The applicant shall also submit evidence to the satisfaction of the Planning Director that a Notice of Restriction on Real Property is recorded with the County Recorder. The applicant shall pay necessary recording fees to the County. The Notice of Restriction shall provide information that conditions imposed by approval of the Conditional Use Permit are binding on all present or future interest holders or estate holders of the property. The Notice of Restriction shall be approved as to form by the City Attorney and signed by the Planning Director prior to recordation.

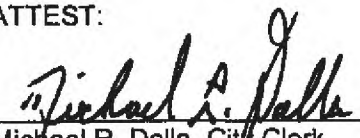
BE IT FURTHER RESOLVED that copies of this Resolution shall be transmitted forthwith to the applicant.

BE IT FURTHER RESOLVED that this Resolution shall become effective and final on the day following the City Council meeting where the resolution is adopted. The time within which judicial review of this decision may be sought is governed by the provisions of Code of Civil Procedure Section 1094.6.


PASSED and ADOPTED this 2nd day of December, 2008.

  
Ron Morrison, Mayor

ATTEST:

  
Michael R. Dalla, City Clerk

APPROVED AS TO FORM:

  
George H. Eiser, III  
City Attorney

Passed and adopted by the Council of the City of National City, California, on December 2, 2008 by the following vote, to-wit:

Ayes: Councilmembers Morrison, Parra, Zarate.

Nays: Councilmember Natividad.

Absent: None.

Abstain: Councilmember Sotelo-Solis.

AUTHENTICATED BY: RON MORRISON  
Mayor of the City of National City, California



*[Signature]*  
City Clerk of the City of National City, California

By: \_\_\_\_\_  
Deputy

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of RESOLUTION NO. 2008-251 of the City of National City, California, passed and adopted by the Council of said City on December 2, 2008.

\_\_\_\_\_  
City Clerk of the City of National City, California

By: \_\_\_\_\_  
Deputy

**RESOLUTION NO. 2016-13**

**A RESOLUTION OF THE PLANNING COMMISSION  
OF THE CITY OF NATIONAL CITY, CALIFORNIA,  
APPROVING A CONDITIONAL USE PERMIT FOR THE EXPANSION  
OF A GAS STATION CONVENIENCE STORE  
LOCATED AT 1803 HIGHLAND AVENUE  
CASE FILE NO. 2016-17 CUP  
APN: 561-171-18**

**WHEREAS, the Planning Commission of the City of National City considered a Conditional Use Permit for the expansion of a gas station convenience store located at 1803 Highland Avenue at a duly advertised public hearing held on November 7, 2016, at which time oral and documentary evidence was presented; and,**

**WHEREAS, at said public hearings the Planning Commission considered the staff report contained in Case File No. 2016-17 CUP maintained by the City and incorporated herein by reference along with evidence and testimony at said hearing; and,**

**WHEREAS, this action is taken pursuant to all applicable procedures required by State law and City law; and,**

**WHEREAS, the action recited herein is found to be essential for the preservation of public health, safety, and general welfare.**

**NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the City of National City, California, that the testimony and evidence presented to the Planning Commission at the public hearing held on November 7, 2016, support the following findings:**

- 1. That the proposed use is allowable within the applicable zoning district pursuant to a Conditional Use Permit and complies with all other applicable provisions of the Land Use Code, because the use is allowable within the Major Mixed Use Corridor zone pursuant to a Conditional Use Permit, and the proposed expansion meets the required guidelines in the Land Use Code for service stations and convenience stores.**
- 2. That the proposed use is consistent with the General Plan and any applicable specific plans, because General Plan Policy LU-2.6 supports development and redevelopment that creates jobs for all income levels and General Plan Policy LU-2.9 encourages the designation of land for commercial, office, and service uses sufficient to meet future City needs. The expanded convenience store will help support the existing gas station and potentially create addition job**

opportunities. In addition, the proposed facility is a conditionally-permitted use in Major Mixed Use Corridor zone.

3. That the design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity, because the convenience store is currently located on the property and the expansion of the store would have minimal impact on the site.
4. That the site is physically suitable for the type, density, and intensity of use being proposed, including access, utilities, and the absence of physical constraints, since the property is already fully developed, including the convenience store. The proposal to expand the store is consistent to the existing use and zone, and is suitable for the property.
5. That granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located, because the proposed expansion is consistent with the previously approved use and is similar in nature to surrounding area uses.
6. That the proposed project has been reviewed in compliance with the California Environmental Quality Act, because staff has determined the proposed use to be categorically exempt from environmental review pursuant to Class 1 Section 15301 (Existing Facilities), for which a Notice of Exemption will be filed subsequent to approval of this Conditional Use Permit.

BE IT FURTHER RESOLVED that the application for Conditional Use Permit is approved subject to the following conditions:

**General**

1. This Conditional Use Permit authorizes the expansion of an existing convenience store located at 1803 Highland Avenue. Unless specifically modified by this resolution or subsequent Codes, all previous Conditions of Approval as stated in City Council Resolution No. 2008-251 are still in effect. Plans submitted for permits associated with this project shall conform with Exhibit A, case file no. 2016-17 CUP, dated 7/11/2016.
2. Before this *Conditional Use Permit* shall become effective, the applicant and the property owner both shall sign and have notarized an Acceptance Form, provided by the Planning Department, acknowledging and accepting all conditions imposed upon the approval of this permit. Failure to return the signed and notarized Acceptance Form within 30 days of its receipt shall automatically terminate the *Conditional Use Permit*. The applicant shall also submit evidence to the satisfaction of the Planning



Department that a Notice of Restriction on Real Property is recorded with the County Recorder. The applicant shall pay necessary recording fees to the County. The Notice of Restriction shall provide information that conditions imposed by approval of the *Conditional Use Permit* are binding on all present or future interest holders or estate holders of the property. The Notice of Restriction shall be approved as to form by the City Attorney and signed by the Deputy City Manager prior to recordation.

3. *Within four (4) days of approval*, pursuant to Fish and Game Code 711.4 and the California Code of Regulations, Title 14, Section 753.5, the applicant shall pay all necessary environmental filing fees for the San Diego County Clerk. Checks shall be made payable to the *County Clerk* and submitted to the National City Planning Department.
4. This permit shall become null and void if not exercised within one year after adoption of the Resolution of approval unless extended according to procedures specified in the Municipal Code.
5. This permit shall expire if the use authorized by this resolution is discontinued for a period of 12 months or longer. This permit may also be revoked, pursuant to provisions of the Land Use Code, if discontinued for any lesser period of time.
6. This *Conditional Use Permit* may be revoked if the operator is found to be in violation of Conditions of Approval.

#### Building

7. Plans submitted for improvements must comply with the current edition of the California Building, Electrical, Plumbing, Mechanical, Energy and Codes. The City currently utilizes the 2013 editions.
8. Call 800-227-2600 (Underground Service Alert) for mark out prior to any digging activities.

#### Fire

9. Plans submitted for improvements must comply with the current editions of the California Fire Code (CFC) and National Fire Protection Association (NFPA).
10. All required signage shall be designed and installed to the Fire Department's specifications.
11. The National City Fire Department shall be involved with all fire inspections for this site. Rough inspections are required for all phases of work.

#### Planning

12. All sellers and servers of alcohol shall receive Responsible Beverage Service and Sales (RBSS) training, including all owners, and managers. The RBSS training must be certified by the Department of Alcoholic Beverage Control (ABC). Proof of completion of an approved RBSS program must be provided prior to issuance of a

city business license. As part of the RBSS training, the permittee shall make available a domestic violence training session as provided by the Institute of Public Strategies.

13. The sale of alcoholic beverages shall be permitted only between the hours of 8:00 a.m. and 12:00 a.m.

BE IT FURTHER RESOLVED that copies of this Resolution be transmitted forthwith to the applicant and to the City Council.

BE IT FINALLY RESOLVED that this Resolution shall become effective and final on the day following the City Council meeting where the Planning Commission resolution is set for review, unless an appeal in writing is filed with the City Clerk prior to 5:00 p.m. on the day of that City Council meeting. The City Council may, at that meeting, appeal the decision of the Planning Commission and set the matter for public hearing.

**CERTIFICATION:**

This certifies that the Resolution was adopted by the Planning Commission at their meeting of November 7, 2016, by the following vote:

**AYES:** Bush, Yamane, Garcia, Baca, Sendt, Flores, Dela Paz

**NAYS:** None

**ABSENT:** None

**ABSTAIN:** None

  
CHAIRPERSON

**EXHIBIT: A**  
**CASE FILE NO.: 2016-17 CUP**  
**DATE: 7/11/16**

**PROJECT INFO:**

**SITE:**

1803 HIGHLAND BLVD  
 NATIONAL CITY, CA 91950

**OWNER:**

MICHAEL RAFO  
 1803 HIGHLAND BLVD.  
 NATIONAL CITY, CA

**DESIGNER:**

JON HURLEY BUILDING DESIGN  
 14583 CHERRY ST.  
 BRIGHTON, CO 80602  
 919-246-2873

**CONTRACTOR:**  
 N/A

**PROJECT INFO:**

PROPOSED ADDITION TO EXISTING CONVENIENCE STORE AT EXISTING GAS STATION. REDUCE EXISTING 3-BAY AUTO SERVICE SHOP TO 2-BAYS AND ENCLOSE 1-BAY FOR ADDITION TO EXISTING STORE. ADD NEW EXTERIOR WALL AT SOUTH SIDE OF BUILDING COVERED WALKWAY AND ADD NEW AREA TO EXISTING STORE AREA.  
 EXISTING BUILDING ROOFED AREA 1,916 SQ. FT.  
 SHOP AREA 818 SQ. FT.  
 PROPOSED STORE ADDITION INTO SHOP AREA 981 SQ. FT.  
 PROPOSED STORE ADDITION INTO EXISTING COVERED WALKWAY 182 SQ. FT.  
 EXISTING STORE AREA 540 SQ. FT.  
 TOTAL STORE AREA AFTER ADDITIONS 1,103 SQ. FT.

**LEGAL:**

LOTS 1,2,3,4,5,6, MAP 80, REEDS SUB, BLOCK 1

**A.P.N.**

561-171-18

**CONSTRUCTION TYPE**

1-NON-SPRINKLERED

DESIGN BY:  
 JON HURLEY

10/12/2016

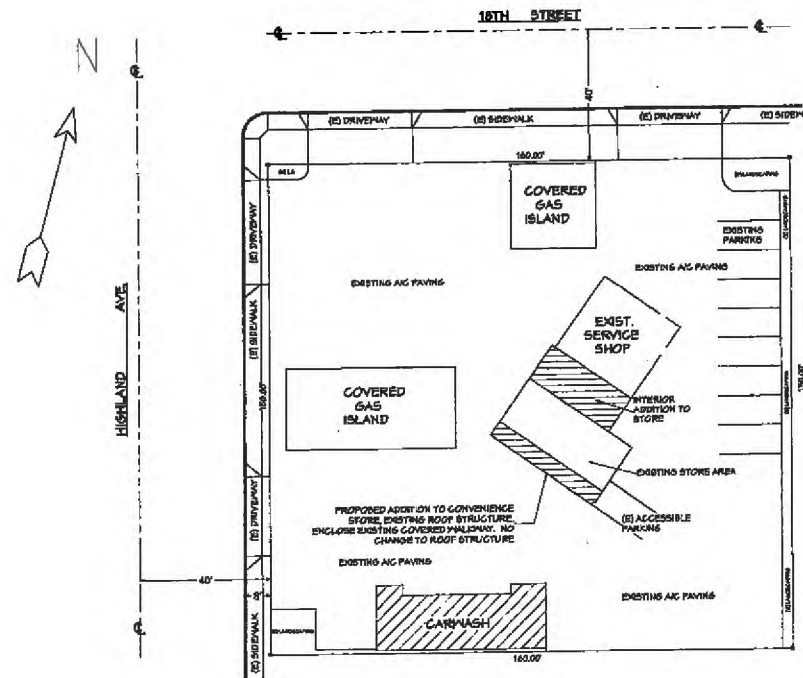
CONTRACTOR:

PROJECT INFO:

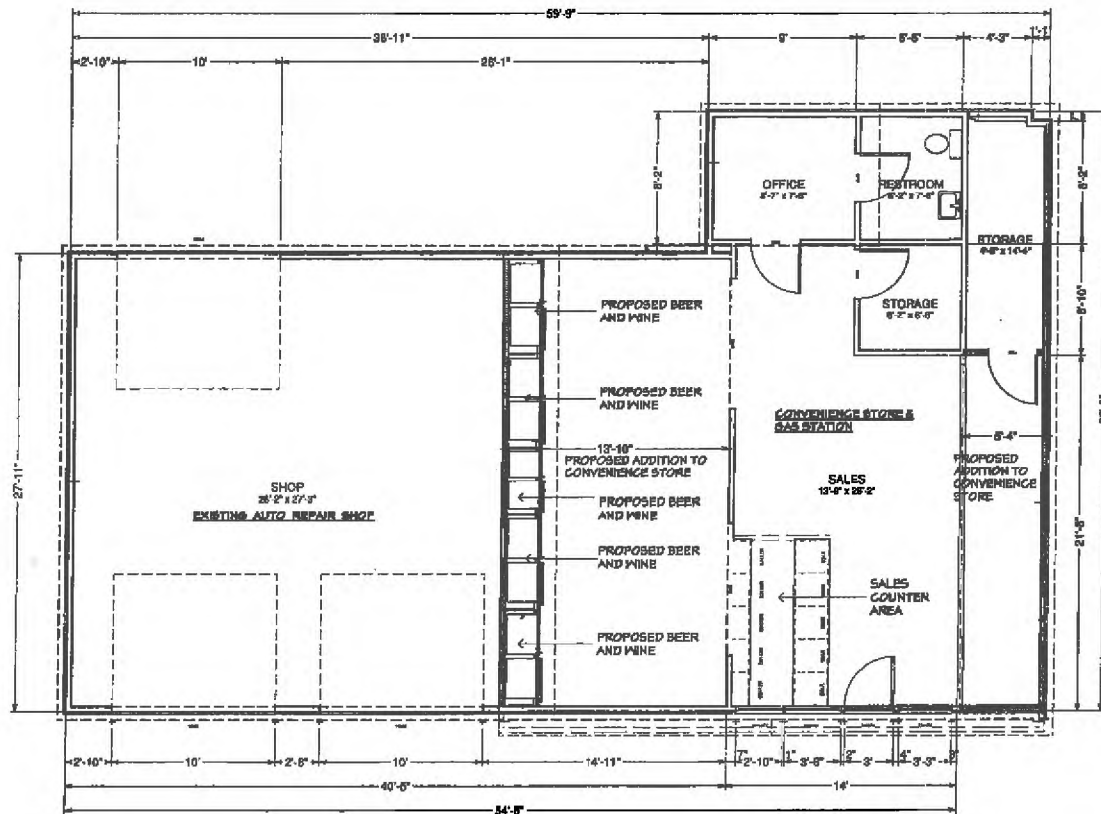
**PROPOSED STORE  
 ADDITION FOR**

**JON HURLEY  
 BUILDING DESIGN**

A-1

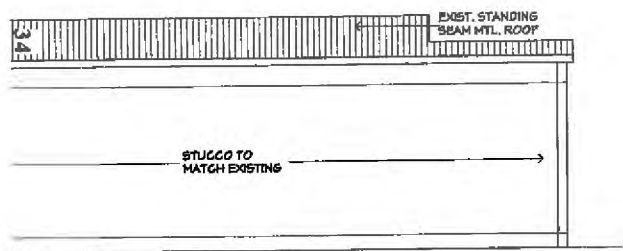


**PLOT PLAN**  
 SCALE 1" = 10'-0"



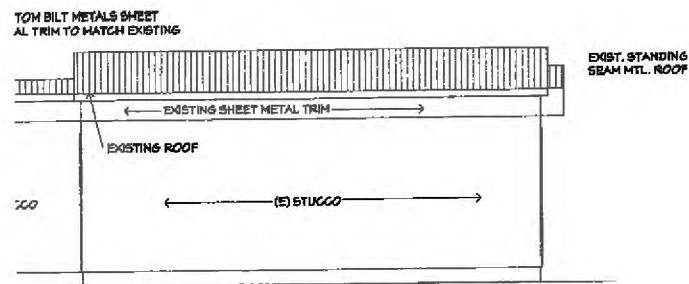
FLOOR PLAN  
SCALE 1/4" = 1'-0"





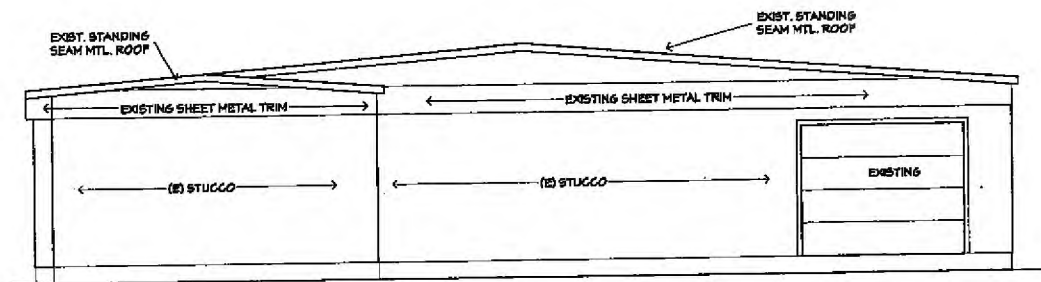
**SOUTH ELEVATION**

SCALE 1/4" = 1'-0"



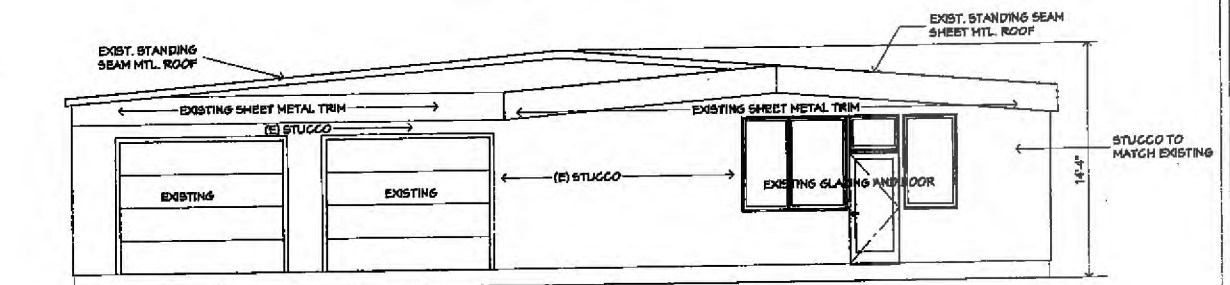
**NORTH ELEVATION**

SCALE 1/4" = 1'-0"



**EAST ELEVATION**

SCALE 1/4" = 1'-0"



**WEST ELEVATION**

SCALE 1/4" = 1'-0"

The following page(s) contain the backup material for Agenda Item: Notice of Decision – Planning Commission approval of a Conditional Use Permit to convert a three unit multi-family development to condominiums at 1404 & 1408 Coolidge Avenue and 316 West 14th Street. (Applicant: William Lewallen) (Case File 2016-18 CUP) (

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.**

**ITEM TITLE:**

Notice of Decision – Planning Commission approval of a Conditional Use Permit to convert a three unit multi-family development to condominiums at 1404 & 1408 Coolidge Avenue and 316 West 14<sup>th</sup> Street. (Applicant: William Lewallen) (Case File 2016-18 CUP)

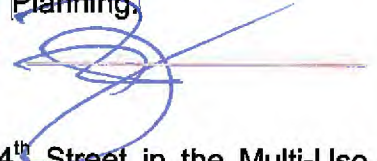
**PREPARED BY:** Martin Reeder, AICP



**DEPARTMENT:** Planning

**PHONE:** 336-4313

**APPROVED BY:**



**EXPLANATION:**

The project site is at the southwest corner of Coolidge Avenue and West 14<sup>th</sup> Street in the Multi-Use Commercial-Residential (MCR-1) zone of the Westside Specific Plan. The existing use is a detached three unit multi-family rental development. The building square footages are 657, 653, and 666 square feet. There is a five space parking lot in the rear of the property that is accessible from an alley off of West 14<sup>th</sup> Street. The applicant is proposing to convert the development into individually owned condominiums. No construction is proposed.

Planning Commission conducted a public hearing on November 7, 2016 on the Conditional Use Permit (CUP) and the associated Tentative Parcel Map. Commissioners asked questions regarding sales of the units, Subdivision Map Act requirements, and conditions of approval. The Commission voted to approve the Tentative Parcel Map and recommended approval of the CUP based on attached findings and subject to Conditions of Approval.

The attached Planning Commission staff report describes the proposal in detail.

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ MIS

**ENVIRONMENTAL REVIEW:**

Categorically Exempt pursuant to Class 3 Section 15303 (New Construction or Conversion of small structures)

**ORDINANCE:** INTRODUCTION: ☐ FINAL ADOPTION: ☐

**STAFF RECOMMENDATION:**

Staff concurs with the decision of the Planning Commission and recommends that the Notice of Decision be filed.

**BOARD / COMMISSION RECOMMENDATION:**

The Planning Commission approved the Conditional Use Permit.

Ayes: Baca, Bush, Flores, Garcia, Sendt

Noes: Yamane

Absent: DeLaPaz

**ATTACHMENTS:**

- |                                     |                           |
|-------------------------------------|---------------------------|
| 1. Overhead                         | 3. Resolution No. 2016-15 |
| 2. Planning Commission Staff Report | 4. Reduced Plans          |



2016-18 CUP, LS – 1404 & 1408 Coolidge Ave. & 316 W. 14<sup>th</sup> St. – Overhead







CITY OF NATIONAL CITY - PLANNING DEPARTMENT  
1243 NATIONAL CITY BLVD., NATIONAL CITY, CA 91950

**PLANNING COMMISSION STAFF REPORT**

Title: PUBLIC HEARING – CONDITIONAL USE PERMIT AND TENTATIVE PARCEL MAP TO CONVERT A THREE UNIT MULTI-FAMILY DEVELOPMENT TO CONDOMINIUMS AT 1404 & 1408 COOLIDGE AVENUE AND 316 WEST 14<sup>TH</sup> STREET.

Case File No.: 2016-18 CUP, LS

Location: Southwest corner of Coolidge Avenue and West 14<sup>th</sup> Street

Assessor's Parcel No.: 559-063-14

Staff report by: Martin Reeder, AICP – Principal Planner

Applicant: William Lewallen

Zoning designation: MCR-1 – Multi-Use Commercial-Residential

Adjacent land use/zoning:

North: Multi-unit residential across West 14<sup>th</sup> Street / MCR-2 (Multi-unit residential (Smart Growth Center)

East: Auto repair across Coolidge Avenue / MCR-1

South: Industrial use / RS-4

West: Industrial/Office use / MCR-1

Environmental review: Categorically Exempt pursuant to Class 3 Section 15303 (New Construction or Conversion of small structures)

Staff recommendation: Approve

## **BACKGROUND**

The applicant has applied for a Conditional Use Permit (CUP) and Tentative Parcel map to convert three existing single-family houses on the same property to condominium ownership. The homes and the property have recently been renovated.

### **Project location**

The project site is at the southwest corner of Coolidge Avenue and West 14<sup>th</sup> Street in the Multi-Use Commercial-Residential (MCR-1) zone of the Westside Specific Plan. The existing use is a detached three unit multi-family rental development. The building square footages are 657, 653, and 666 square feet. All units are two-bedroom, one-bathroom units and rent for \$1,400 per month. There is a five space parking lot in the rear of the property that is accessible from an alley off of West 14<sup>th</sup> Street.

### **Proposed Use**

The applicant is proposing to convert the development into individually owned condominiums. No construction is proposed.

## **Analysis**

### **General Plan**

This project will provide three new home ownership opportunities, which is encouraged by the General Plan. The property is currently consistent with allowable density and the Land Use designation, which will continue due to no construction being proposed.

### **Westside Specific Plan**

The property is located within the Multi-Use Commercial-Residential (MCR-1) zone of the Westside Specific Plan, which allows multi-unit residential projects to a maximum density of 24 units per acre. A 5,750 square-foot property would allow a maximum of three units, which the project is consistent with. The Specific Plan requires a parking ratio of one space per unit for detached units less than 1,200 square feet in size. In this case, three parking spaces would be required where five are provided.

### **Subdivision Ordinance**

The proposed subdivision (condominium, conversion) is consistent with the Subdivision Ordinance as the existing lot meets minimum lot size and lot width dimensions, and because no new property lines or construction is proposed.

### **Land Use Code**

The conversion of existing rental properties to condominiums is permitted by the Land Use Code subject the issuance of a Conditional Use Permit (CUP). Consistency with



the Housing Element goals and objectives is also required. The Housing Element encourages conversion of existing multi-unit rental stock to affordable ownership, which this proposal is consistent with.

The property was recently upgraded (2014), including the rehabilitation of all three units. The improvements included new foundations, plumbing, electrical, framing, and drywall. Because of the recent timeframe of upgrades, staff did not require a physical elements report, which is normally required for condo conversion applications.

*Subdivision Map Act*

As part of the CUP requirements, the Land Use Code requires that all requirements of the State Subdivision Map Act (§66427.1) be satisfied. These requirements include notice to tenants of the intention to convert, filing of the final map, and right of tenants to exclusive contract for purchase in condominium projects. The applicant has provided notice to the tenants in compliance with §66427.1, which has also been included in the recommended Conditions of Approval.

*Conditional Use Permit - Required findings*

The Municipal Code contains required findings for Conditional Use Permits. There are six required findings:

1. The proposed use is allowable within the applicable zoning district pursuant to a Conditional Use Permit and complies with all other applicable provisions of the Land Use Code.

Detached multi-unit residential uses are permitted by right in the Mixed Use Commercial-Residential (MCR-1) zone. The requirement for a CUP is only necessary due to the conversion of rental stock to condominium ownership. The property meets and will continue to meet the requirements of the MCR-1 zone.

2. The proposed use is consistent with the General Plan and any applicable specific plan.

The Housing Element of the General Plan encourages additional homeownership opportunities, which this application would facilitate. In addition, the use is now and will continue to be consistent with the MCR-1 zone of the Westside Specific Plan, which allows detached multi-unit residential uses by right.

3. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity.

The use would be compatible with the area because the three residential units exist on the site and no construction is proposed. In addition, the existing detached multi-unit residential use is permitted by right in the MCR-1 zone.

4. The site is physically suitable for the type, density, and intensity of use being proposed, including access, utilities, and the absence of physical constraints.

The site is suitable for the proposed condominium conversion, because the property is already developed with the use, which is permitted by right and meets required design guidelines, and because no construction is proposed.

5. Granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located.

There would be no impacts caused by the approval of this application because the three residential units exist on the site and are permitted by right in the MCR-1 zone.

6. That the proposed project has been reviewed in compliance with the California Environmental Quality Act.

The proposed project has been reviewed in compliance with the California Environmental Quality Act. Staff has determined the proposed use to be categorically exempt from environmental review pursuant to Class 1, Section 15301 (Existing Facilities), for which a Notice of Exemption will be filed subsequent to approval of this Conditional Use Permit.

#### *Tentative Parcel Map - Required findings*

The Subdivision Ordinance contains required findings for Tentative Parcel Maps. There are nine required findings, which are also required by the Subdivision Map Act:

1. The proposed map is consistent with the National City General Plan and applicable specific plans.

Detached multi-unit residential uses are permitted by right in the Mixed Use Commercial-Residential (MCR-1) zone. The requirement for a CUP is only necessary due to the conversion of rental stock to condominium ownership. The property meets and will continue to meet the requirements of the MCR-1 zone.

2. The site is physically suitable for the proposed type of development.



The site is suitable for the proposed condominium conversion, because the property is already developed with the use, which is permitted by right and meets required design guidelines, and because no construction is proposed.

3. The site is physically suitable for the proposed density of development.

The existing density of the project is 22.7 units per acre, where 24 units per acre are permitted in the MCR-1 zone of the Westside Specific Plan.

4. The design of the subdivision or the proposed improvements is not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.

There is no natural habitat in the area or bodies of water present on-site. In addition, the use is existing and surrounded by urban development, plus no construction is proposed.

5. The design of the subdivision and the proposed/required improvements are not likely to cause serious public health problems.

No construction is proposed and all necessary public services are and will continue to be provided.

6. The design of the subdivision and the proposed/required improvements will not conflict with easements, acquired by the public at large, for access through or use of the property within the proposed subdivision.

There are no existing easements on the property and no construction is proposed.

7. The discharge of sewerage waste from the subdivision into the City of National City sewer system will not result in violation of existing requirements prescribed by the California Regional Quality Control Board pursuant to Division 7 (commencing with Section 13000) of the Water Code, as specified by Government Code Section 66474.6.

The project is required to install and/or upgrade to current requirements for sewage disposal by the Conditions of Approval of this permit.

8. The subdivision has been considered by the Planning Commission with regard to its effect on the housing needs of the region, and these needs are balanced by the public service needs of the residents and available fiscal and environmental resources.

The project will result in three new homeownership opportunities, which is consistent with and encouraged by the City's Housing Element.

9. The design of the subdivision provides, to the extent feasible, for future passive and natural heating and cooling opportunities in the subdivision, based on consideration of local climate, topography, property configuration and other design and improvement requirements without requiring reduction in allowable density or lot coverage.

No construction is proposed in this case, as the three units are already in existence. The buildings were recently upgraded in compliance with the California Building Code, which takes such factors in to consideration.

#### Department comments

Comments were received from the Engineering Department and Sweetwater Authority. Engineering comments were related to final map and sewer requirements. Sweetwater Authority had comments related to plan contents, fire flow, and existing easements.

#### Conditions of Approval

Conditions of approval requiring a declaration of Covenants, Conditions and Restrictions (CC&Rs) and an owners association have been included to ensure that the property will be adequately maintained in the future. There are also conditions related to Subdivision Map Act requirements and including Engineering Department and Sweetwater Authority comments.

#### Summary

The proposed project is consistent with the General Plan, Housing Element, Westside Specific Plan, Subdivision Ordinance, and Land Use Code in that it meets all applicable design requirements for detached multi-unit residences in the MCR-1 zone. No construction is proposed, so no change in the physical environment. In addition, the project will provide three new affordable homeownership opportunities.

## **OPTIONS**

1. Approve 2016-18 CUP, LS subject to the attached conditions, and based on attached findings or other findings as determined by the Planning Commission; or
2. Deny 2016-18 CUP, LS based on findings as determined by the Planning Commission; or
3. Continue the item for additional information

## **ATTACHMENTS**

1. Recommended Findings
2. Recommended Conditions
3. Overhead
4. Site Photos
5. Applicant's Plans (Exhibits A and B, Case File No. 2016-18 CUP, LS, dated 7/14/2016)
6. Public Hearing Notice (Sent to 53 property owners & 67 Occupants)
7. Notice of Exemption



**MARTIN REEDER, AICP**  
Principal Planner



**BRAD RAULSTON**  
Deputy City Manager



**RECOMMENDED FINDINGS FOR APPROVAL**  
**OF THE CONDITIONAL USE PERMIT**

2016-18 CUP, LS – 1404 & 1408 Coolidge Ave. & 316 W. 14<sup>th</sup> St.

1. The proposed use is allowable within the applicable zoning district pursuant to a Conditional Use Permit and complies with all other applicable provisions of the Land Use Code, because detached multi-unit residential uses are permitted by right in the Mixed Use Commercial-Residential (MCR-1) zone, and because the property meets and will continue to meet the requirements of the MCR-1 zone.
2. The proposed use is consistent with the General Plan and any applicable specific plan, because the Housing Element of the General Plan encourages additional homeownership opportunities, which this application would facilitate, and because the use is now and will continue to be consistent with the MCR-1 zone of the Westside Specific Plan, which allows detached multi-unit residential uses by right.
3. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity, because the three residential units exist on the site and no construction is proposed, and because the existing detached multi-unit residential use is permitted by right in the MCR-1 zone.
4. The site is physically suitable for the type, density, and intensity of use being proposed, including access, utilities, and the absence of physical constraints, because the property is already developed with the use, which is permitted by right and meets required design guidelines, and because no construction is proposed.
5. Granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located, because the three residential units exist on the site and are permitted by right in the MCR-1 zone.
6. That the proposed project has been reviewed in compliance with the California Environmental Quality Act, because the proposed project has been reviewed in compliance with the California Environmental Quality Act and staff has determined the proposed use to be categorically exempt from environmental review pursuant to Class 1, Section 15301 (Existing Facilities), for which a Notice of Exemption will be filed subsequent to approval of this Conditional Use Permit.



**RECOMMENDED FINDINGS FOR APPROVAL**  
**OF THE TENTATIVE PARCEL MAP**

2016-18 CUP, LS – 1404 & 1408 Coolidge Ave. & 316 W. 14<sup>th</sup> St.

1. The proposed map is consistent with the National City General Plan and applicable specific plans, because detached multi-unit residential uses are permitted by right in the Mixed Use Commercial-Residential (MCR-1) zone, and because the property meets and will continue to meet the requirements of the MCR-1 zone.
2. The site is physically suitable for the proposed type of development, because the property is already developed with the use, which is permitted by right and meets required design guidelines, and because no construction is proposed.
3. The site is physically suitable for the proposed density of development, because the existing density of the project is 22.7 units per acre, where 24 units per acre are permitted in the MCR-1 zone of the Westside Specific Plan.
4. The design of the subdivision or the proposed improvements is not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat, because there is no natural habitat in the area or bodies of water present on-site. In addition, the use is existing and surrounded by urban development, plus no construction is proposed.
5. The design of the subdivision and the proposed/required improvements are not likely to cause serious public health problems, because no construction is proposed and all necessary public services are and will continue to be provided.
6. The design of the subdivision and the proposed/required improvements will not conflict with easements, acquired by the public at large, for access through or use of the property within the proposed subdivision, because there are no existing easements on the property and no construction is proposed.
7. The discharge of sewerage waste from the subdivision into the City of National City sewer system will not result in violation of existing requirements prescribed by the California Regional Quality Control Board pursuant to Division 7 (commencing with Section 13000) of the Water Code, as specified by Government Code Section 66474.6, because the project is required to install and/or upgrade to current requirements for sewage disposal by the Conditions of Approval of this permit.

8. The subdivision has been considered by the Planning Commission with regard to its effect on the housing needs of the region, and these needs are balanced by the public service needs of the residents and available fiscal and environmental resources, because the project will result in three new homeownership opportunities, which is consistent with and encouraged by the City's Housing Element.
9. The design of the subdivision provides, to the extent feasible, for future passive and natural heating and cooling opportunities in the subdivision, based on consideration of local climate, topography, property configuration and other design and improvement requirements without requiring reduction in allowable density or lot coverage, because no construction is proposed in this case, as the three units are already in existence. In addition, the buildings were recently upgraded in compliance with the California Building Code, which takes such factors in to consideration.



## **RECOMMENDED CONDITIONS OF APPROVAL**

2016-18 CUP, LS – 1404 & 1408 Coolidge Ave. & 316 W. 14<sup>th</sup> St.

### **General**

1. This *Conditional Use Permit and Tentative Parcel Map* authorize a one-lot subdivision with three residential condominium units. Except as required by conditions of approval, all plans submitted for permits associated with the project shall conform with Exhibits A and B, Case File No. 2016-18 CUP, LS, dated 7/14/2016).
2. Before this *Conditional Use Permit and Tentative Parcel Map* shall become effective, the applicant and the property owner both shall sign and have notarized an Acceptance Form, provided by the Planning Department, acknowledging and accepting all conditions imposed upon the approval of this permit. Failure to return the signed and notarized Acceptance Form within 30 days of its receipt shall automatically terminate the *Conditional Use Permit and Tentative Parcel Map*. The applicant shall also submit evidence to the satisfaction of the Planning Department that a Notice of Restriction on Real Property is recorded with the County Recorder. The applicant shall pay necessary recording fees to the County. The Notice of Restriction shall provide information that conditions imposed by approval of the *Conditional Use Permit and Tentative Parcel Map* are binding on all present or future interest holders or estate holders of the property. The Notice of Restriction shall be approved as to form by the City Attorney and signed by the City Manager or designee prior to recordation.
3. *Within four (4) days of approval*, pursuant to Fish and Game Code 711.4 and the California Code of Regulations, Title 14, Section 753.5, the applicant shall pay all necessary environmental filing fees for the San Diego County Clerk. Checks shall be made payable to the *County Clerk* and submitted to the National City Planning Department.
4. This permit shall become null and void if not exercised within one year after adoption of the resolution of approval unless extended according to procedures specified in Section 18.12.040 of the Municipal Code.

### **Building**

5. Plans submitted for future improvements must comply with the current edition of the California Building, Electrical, Fire, Plumbing, and Mechanical Codes.

### **Fire**

6. Plans submitted for future improvements must comply with the current editions of the California Fire Code (CFC) and National Fire Protection Association (NFPA).

## Engineering

7. All existing survey monuments, including any benchmark, within the boundaries of the project shall be shown on the plans. If missing or disturbed, a licensed land surveyor or civil engineer shall restore them after completion of the work. A Corner Record shall be filed with the County of San Diego Recorder. A copy of the documents filed shall be given to the City of National City Engineering Department as soon as filed.
8. Separate water and sewer laterals shall be provided to each lot/parcel. Existing sewer infrastructure shall be replaced with a new six-inch (6") lateral.
9. A sewer permit will be required. The method of sewage collection and disposal shall be shown on the grading/drainage plan. Any new sewer lateral in the City right-of-way shall be 6 inch in size with a clean out. A sewer stamp "S" shall be provided on the curb to mark the location of the lateral.
10. The final parcel map shall meet all of the requirements of the Subdivision Map Act, and the City of National City Municipal Codes including certification, acknowledgement, complete boundary information and monumentation.
11. The developer shall submit to the Fire Department a letter from Sweetwater Authority stating existing fire flow. If determined by the Fire Department that additional improvements are needed, the developer shall enter into an agreement for the water improvements with the Sweetwater Authority prior to obtaining the final map approval.
12. The final map shall be recorded prior to issuance of any building permit.
13. All new property line survey monuments shall be set on private property, unless otherwise approved.
14. The parcel map/final map shall use the California Coordinate System for its "Basis of Bearings" and express all measured and calculated bearings in terms of the system. The angle of grid divergence from a true meridian and the north point shall appear on the map. Two measured ties from the boundary of the property to existing horizontal control stations shall be shown.

## Planning

15. All tenant noticing of filings and purchasing opportunities shall be undertaken as required by Subdivision Map Act §66427.1, as well as compliance with all other requirements of the Subdivision Map Act applicable to condominium conversions.
16. A structural pest report shall be submitted prior to final map indicating that the properties are free of any colonization of any insects, vermin, or other pests.



17. Smoke detectors shall be required for all rooms and/or dwelling units as required by the current editions of the California Fire Code (CFC) and National Fire Protection Association (NFPA).
18. The developer shall provide a declaration of covenants, conditions and restrictions, running with the land, clearly setting forth the privileges and responsibilities, including maintenance, payment of taxes, etc. involved in the common ownership of parking areas, walks, buildings, utilities and open spaces prior to approval of the final map. Said CC&R's shall be subject to approval as to content and form by the City Attorney. The CC&R's shall allow the City the authority but not the obligation to assume maintenance of the property and assess the full cost including overhead costs therefore as a lien against the property if said property is not adequately maintained per the agreement. The CC&R's shall include a determination that the funds provided by the maintenance provisions will be sufficient to cover all contemplated costs.
19. A corporation, association, property owners' group, or similar entity shall be formed with the right to assess all the properties which are jointly owned with interests in the common areas and facilities in the entire development to meet the expenses of such entity, and with authority to control, and the duty to maintain, all of said mutually available features of the development. Such entity shall operate under recorded conditions, covenants, and restrictions approved by the City Attorney as to form and content, which shall include compulsory membership of all owners and flexibility of assessments to meet changing costs of maintenance, repairs and services.
20. All landscape areas, existing and proposed, shall be properly irrigated. All irrigation systems shall be maintained in working order to provide adequate water supply to said landscaping.

Sweetwater Authority

21. The submitted plans incorrectly show a sewer meter, rather than a water meter, fronting the existing single family dwelling (Bldg. 1). The Final Map shall be corrected to indicate the meter as a water meter which serves 1408 Coolidge Avenue.
22. This property is most likely encumbered by an Authority blanket easement. The Authority recommends that the Owner quitclaim the easement prior to Parcel Map recordation. By quitclaiming the easement, the parcel title will be free of the blanket easement encumbrance, and a Letter of Omission requirement will not be necessary. Quitclaims require approval of the Authority's Governing Board. The Authority fee for such a request is \$700. If the Owner does not choose to quitclaim the blanket easement, the Owner must submit a written request to the Authority for a Letter of Omission.

23. The parcel is located in a section of the Authority's service area that is served by a 6-inch water main on Coolidge Avenue only. The closest fire hydrant is located at the south east corner of West 14th Street and Harding Avenue. The Authority may not be able to provide fire flow as required by the National City Fire Department. It is highly recommended that the Owner consult with the Fire Department and obtain options to provide adequate fire protection for the proposed condominiums.





Looking southwest from West 14<sup>th</sup> Street and Coolidge Avenue



Looking southeast from West 14<sup>th</sup> Street



Looking southeast from West 14<sup>th</sup> Street/alley





CITY OF NATIONAL CITY - PLANNING DEPARTMENT  
1243 NATIONAL CITY BLVD., NATIONAL CITY, CA 91950

NOTICE OF PUBLIC HEARING

CONDITIONAL USE PERMIT AND TENTATIVE PARCEL MAP  
TO CONVERT A THREE UNIT MULTI-FAMILY DEVELOPMENT  
TO CONDOMINIUMS AT 1404 & 1408 COOLIDGE AVENUE  
AND 316 WEST 14<sup>TH</sup> STREET.  
CASE FILE NO.: 2016-18 CUP, LS  
APN: 559-063-14

The National City Planning Commission will hold a public hearing after the hour of 6:00 p.m. **Monday, November 7, 2016**, in the City Council Chambers, Civic Center, 1243 National City Boulevard, National City, California, on the proposed request. (Applicant: William Lewallen)

The applicant is proposing to convert three existing single-family homes on the property into individually owned condominium units. No construction is proposed.

Information is available for review at the City's Planning Department, Civic Center. Members of the public are invited to comment. Written comments should be received by the Planning Department on or before 12:00 p.m., **November 7, 2016**, who can be contacted at 619-336-4310 or [planning@nationalcityca.gov](mailto:planning@nationalcityca.gov)

If you challenge the nature of the proposed action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Planning Commission at, or prior to, the public hearing.

NATIONAL CITY PLANNING DEPARTMENT

BRAD RAULSTON  
Deputy City Manager



CITY OF NATIONAL CITY - PLANNING DEPARTMENT  
1243 NATIONAL CITY BLVD., NATIONAL CITY, CA 91950

**NOTICE OF EXEMPTION**

TO: County Clerk  
County of San Diego  
P.O. Box 1750  
1600 Pacific Highway, Room 260  
San Diego, CA 92112

**Project Title:** 2016-18 CUP, LS

**Project Location:** 1404 & 1408 Coolidge Avenue and 316 West 14<sup>th</sup> Street.

**Lead Agency:** City of National City

**Contact Person:** Martin Reeder

**Telephone Number:** (619) 336-4313

**Description of Nature, Purpose and Beneficiaries of Project:**

Tentative Parcel Map and Conditional Use Permit for the conversion of three existing single-family homes on one property to condominium ownership.

**Applicant:**

William Lewallen  
264 "E" Street  
Chula Vista, CA 91910

**Telephone Number:**

(619) 203-3423

**Exempt Status:**

☒ **Categorical Exemption. Class 3 Section 15303 (New Construction or Conversion of small structures)**

**Reasons why project is exempt:**

There is no possibility that the proposed use will have a significant impact on the environment because no construction is proposed, only a change in use from rental to owner-occupied housing.

Date:

MARTIN REEDER, AICP  
Principal Planner

**RESOLUTION NO. 2016-15**

**A RESOLUTION OF THE PLANNING COMMISSION  
OF THE CITY OF NATIONAL CITY, CALIFORNIA,  
APPROVING A CONDITIONAL USE PERMIT AND TENTATIVE PARCEL MAP  
TO CONVERT A THREE UNIT MULTI-FAMILY DEVELOPMENT  
TO CONDOMINIUMS AT 1404 & 1408 COOLIDGE AVENUE  
AND 316 WEST 14<sup>TH</sup> STREET.  
CASE FILE NO. 2016-18 CUP, LS  
APN: 559-063-14**

WHEREAS, application was made for approval of a Tentative Parcel Map and Conditional Use Permit to convert a three unit multi-family development to condominiums at 1404 & 1408 Coolidge Avenue and 316 West 14<sup>th</sup> Street on property generally described as:

LOTS 21 AND 22 IN BLOCK 114 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 348, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO, OCTOBER 2, 1882.

WHEREAS, the Planning Commission of the City of National City considered the Conditional Use Permit and Tentative Parcel Map at a duly advertised public hearing held on November 7, 2016, at which time oral and documentary evidence was presented; and,

WHEREAS, at said public hearings the Planning Commission considered the staff report contained in Case File No. 2016-18 CUP, LS maintained by the City and incorporated herein by reference along with evidence and testimony at said hearing; and,

WHEREAS, this action is taken pursuant to all applicable procedures required by State law and City law; and,

WHEREAS, the Planning Commission has analyzed the project pursuant to the California Environmental Quality Act (CEQA), and determined that the activity in question is exempt from CEQA under 14 Cal. Code Regs. Section 15303 (New Construction or Conversion of small structures)

WHEREAS, the action recited herein is found to be essential for the preservation of public health, safety, and general welfare.



NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the City of National City, California, that the testimony and evidence presented to the Planning Commission at the public hearing held on November 7, 2016, support the following findings:

**FINDINGS FOR APPROVAL  
OF THE CONDITIONAL USE PERMIT**

1. The proposed use is allowable within the applicable zoning district pursuant to a Conditional Use Permit and complies with all other applicable provisions of the Land Use Code, because detached multi-unit residential uses are permitted by right in the Mixed Use Commercial-Residential (MCR-1) zone, and because the property meets and will continue to meet the requirements of the MCR-1 zone.
2. The proposed use is consistent with the General Plan and any applicable specific plan, because the Housing Element of the General Plan encourages additional homeownership opportunities, which this application would facilitate, and because the use is now and will continue to be consistent with the MCR-1 zone of the Westside Specific Plan, which allows detached multi-unit residential uses by right.
3. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity, because the three residential units exist on the site and no construction is proposed, and because the existing detached multi-unit residential use is permitted by right in the MCR-1 zone.
4. The site is physically suitable for the type, density, and intensity of use being proposed, including access, utilities, and the absence of physical constraints, because the property is already developed with the use, which is permitted by right and meets required design guidelines, and because no construction is proposed.
5. Granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located, because the three residential units exist on the site and are permitted by right in the MCR-1 zone.
6. That the proposed project has been reviewed in compliance with the California Environmental Quality Act, because the proposed project has been reviewed in compliance with the California Environmental Quality Act and staff has determined the proposed use to be categorically exempt from environmental review pursuant to Class 1, Section 15301 (Existing Facilities), for which a Notice of Exemption will be filed subsequent to approval of this Conditional Use Permit.



**FINDINGS FOR APPROVAL**  
**OF THE TENTATIVE PARCEL MAP**

1. The proposed map is consistent with the National City General Plan and applicable specific plans, because detached multi-unit residential uses are permitted by right in the Mixed Use Commercial-Residential (MCR-1) zone, and because the property meets and will continue to meet the requirements of the MCR-1 zone.
2. The site is physically suitable for the proposed type of development, because the property is already developed with the use, which is permitted by right and meets required design guidelines, and because no construction is proposed.
3. The site is physically suitable for the proposed density of development, because the existing density of the project is 22.7 units per acre, where 24 units per acre are permitted in the MCR-1 zone of the Westside Specific Plan.
4. The design of the subdivision or the proposed improvements is not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat, because there is no natural habitat in the area or bodies of water present on-site. In addition, the use is existing and surrounded by urban development, plus no construction is proposed.
5. The design of the subdivision and the proposed/required improvements are not likely to cause serious public health problems, because no construction is proposed and all necessary public services are and will continue to be provided.
6. The design of the subdivision and the proposed/required improvements will not conflict with easements, acquired by the public at large, for access through or use of the property within the proposed subdivision, because there are no existing easements on the property and no construction is proposed.
7. The discharge of sewerage waste from the subdivision into the City of National City sewer system will not result in violation of existing requirements prescribed by the California Regional Quality Control Board pursuant to Division 7 (commencing with Section 13000) of the Water Code, as specified by Government Code Section 66474.6, because the project is required to install and/or upgrade to current requirements for sewage disposal by the Conditions of Approval of this permit.
8. The subdivision has been considered by the Planning Commission with regard to its effect on the housing needs of the region, and these needs are balanced by the public service needs of the residents and available fiscal and environmental

resources, because the project will result in three new homeownership opportunities, which is consistent with and encouraged by the City's Housing Element.

9. The design of the subdivision provides, to the extent feasible, for future passive and natural heating and cooling opportunities in the subdivision, based on consideration of local climate, topography, property configuration and other design and improvement requirements without requiring reduction in allowable density or lot coverage, because no construction is proposed in this case, as the three units are already in existence. In addition, the buildings were recently upgraded in compliance with the California Building Code, which takes such factors in to consideration.

BE IT FURTHER RESOLVED that the application for Conditional Use Permit and Tentative Parcel Map is approved subject to the following conditions:

**General**

1. This *Conditional Use Permit and Tentative Parcel Map* authorize a one-lot subdivision with three residential condominium units. Except as required by conditions of approval, all plans submitted for permits associated with the project shall conform with Exhibits A and B, Case File No. 2016-18 CUP, LS, dated 7/14/2016).
2. Before this *Conditional Use Permit and Tentative Parcel Map* shall become effective, the applicant and the property owner both shall sign and have notarized an Acceptance Form, provided by the Planning Department, acknowledging and accepting all conditions imposed upon the approval of this permit. Failure to return the signed and notarized Acceptance Form within 30 days of its receipt shall automatically terminate the *Conditional Use Permit and Tentative Parcel Map*. The applicant shall also submit evidence to the satisfaction of the Planning Department that a Notice of Restriction on Real Property is recorded with the County Recorder. The applicant shall pay necessary recording fees to the County. The Notice of Restriction shall provide information that conditions imposed by approval of the *Conditional Use Permit and Tentative Parcel Map* are binding on all present or future interest holders or estate holders of the property. The Notice of Restriction shall be approved as to form by the City Attorney and signed by the City Manager or designee prior to recordation.
3. *Within four (4) days of approval*, pursuant to Fish and Game Code 711.4 and the California Code of Regulations, Title 14, Section 753.5, the applicant shall pay all necessary environmental filing fees for the San Diego County Clerk. Checks shall be made payable to the *County Clerk* and submitted to the National City Planning Department.
4. This permit shall become null and void if not exercised within one year after adoption of the resolution of approval unless extended according to procedures specified in Section 18.12.040 of the Municipal Code.

## **Building**

5. Plans submitted for future improvements must comply with the current edition of the California Building, Electrical, Fire, Plumbing, and Mechanical Codes.

## **Fire**

6. Plans submitted for future improvements must comply with the current editions of the California Fire Code (CFC) and National Fire Protection Association (NFPA).

## **Engineering**

7. All existing survey monuments, including any benchmark, within the boundaries of the project shall be shown on the plans. If missing or disturbed, a licensed land surveyor or civil engineer shall restore them after completion of the work. A Corner Record shall be filed with the County of San Diego Recorder. A copy of the documents filed shall be given to the City of National City Engineering Department as soon as filed.
8. Separate water and sewer laterals shall be provided to each lot/parcel. Existing sewer infrastructure shall be replaced with a new six-inch (6") lateral.
9. A sewer permit will be required. The method of sewage collection and disposal shall be shown on the grading/drainage plan. Any new sewer lateral in the City right-of-way shall be 6 inch in size with a clean out. A sewer stamp "S" shall be provided on the curb to mark the location of the lateral.
10. The final parcel map shall meet all of the requirements of the Subdivision Map Act, and the City of National City Municipal Codes including certification, acknowledgement, complete boundary information and monumentation.
11. The developer shall submit to the Fire Department a letter from Sweetwater Authority stating existing fire flow. If determined by the Fire Department that additional improvements are needed, the developer shall enter into an agreement for the water improvements with the Sweetwater Authority prior to obtaining the final map approval.
12. The final map shall be recorded prior to issuance of any building permit.
13. All new property line survey monuments shall be set on private property, unless otherwise approved.
14. The parcel map/final map shall use the California Coordinate System for its "Basis of Bearings" and express all measured and calculated bearings in terms of the system. The angle of grid divergence from a true meridian and the north point shall appear on the map. Two measured ties from the boundary of the property to existing horizontal control stations shall be shown.

## Planning

15. All tenant noticing of filings and purchasing opportunities shall be undertaken as required by Subdivision Map Act §66427.1, as well as compliance with all other requirements of the Subdivision Map Act applicable to condominium conversions.
16. A structural pest report shall be submitted prior to final map indicating that the properties are free of any colonization of any insects, vermin, or other pests.
17. Smoke detectors shall be required for all rooms and/or dwelling units as required by the current editions of the California Fire Code (CFC) and National Fire Protection Association (NFPA).
18. The developer shall provide a declaration of covenants, conditions and restrictions, running with the land, clearly setting forth the privileges and responsibilities, including maintenance, payment of taxes, etc. involved in the common ownership of parking areas, walks, buildings, utilities and open spaces prior to approval of the final map. Said CC&R's shall be subject to approval as to content and form by the City Attorney. The CC&R's shall allow the City the authority but not the obligation to assume maintenance of the property and assess the full cost including overhead costs therefore as a lien against the property if said property is not adequately maintained per the agreement. The CC&R's shall include a determination that the funds provided by the maintenance provisions will be sufficient to cover all contemplated costs.
19. A corporation, association, property owners' group, or similar entity shall be formed with the right to assess all the properties which are jointly owned with interests in the common areas and facilities in the entire development to meet the expenses of such entity, and with authority to control, and the duty to maintain, all of said mutually available features of the development. Such entity shall operate under recorded conditions, covenants, and restrictions approved by the City Attorney as to form and content, which shall include compulsory membership of all owners and flexibility of assessments to meet changing costs of maintenance, repairs and services.
20. All landscape areas, existing and proposed, shall be properly irrigated. All irrigation systems shall be maintained in working order to provide adequate water supply to said landscaping.

## Sweetwater Authority

21. The submitted plans incorrectly show a sewer meter, rather than a water meter, fronting the existing single family dwelling (Bldg. 1). The Final Map shall be corrected to indicate the meter as a water meter which serves 1408 Coolidge Avenue.
22. This property is most likely encumbered by an Authority blanket easement. The Authority recommends that the Owner quitclaim the easement prior to Parcel Map recordation. By quitclaiming the easement, the parcel title will be free of the blanket easement encumbrance, and a Letter of Omission requirement will not



be necessary. Quitclaims require approval of the Authority's Governing Board. The Authority fee for such a request is \$700. If the Owner does not choose to quitclaim the blanket easement, the Owner must submit a written request to the Authority for a Letter of Omission.

23. The parcel is located in a section of the Authority's service area that is served by a 6-inch water main on Coolidge Avenue only. The closest fire hydrant is located at the south east corner of West 14th Street and Harding Avenue. The Authority may not be able to provide fire flow as required by the National City Fire Department. It is highly recommended that the Owner consult with the Fire Department and obtain options to provide adequate fire protection for the proposed condominiums.

BE IT FURTHER RESOLVED that copies of this Resolution be transmitted forthwith to the applicant and to the City Council.

BE IT FINALLY RESOLVED that this Resolution shall become effective and final on the day following the City Council meeting where the Planning Commission resolution is set for review, unless an appeal in writing is filed with the City Clerk prior to 5:00 p.m. on the day of that City Council meeting. The City Council may, at that meeting, appeal the decision of the Planning Commission and set the matter for public hearing.

**CERTIFICATION:**

This certifies that the Resolution was adopted by the Planning Commission at their meeting of November 7, 2016, by the following vote:

**AYES:** Bush, Garcia, Baca, Sendt, Flores

**NAYS:** Yamane

**ABSENT:** Dela Paz

**ABSTAIN:** None

  
CHAIRPERSON

CAPILLARY BREAK, SEE 4.06(2)(1)

CENTERLINE OF ALLEY

PROPERTY LINE 60.00'

EX PARKING

PRIVATE USABLE  
OPEN SPACE 100  
50 FT

COMMON OPEN SPACE 100 50  
FT MIN

PROPOSED  
ADDITIONS

PRIVATE USABLE  
OPEN SPACE 100 50 FT

PRIVATE USABLE  
OPEN SPACE 100 50 FT

ADJACENT NEIGHBORS  
STRUCTURE

FOUNDATION  
REPAIRS

REMOVE  
SHED ROOF  
ADD GABLE  
ROOF

05/20/2015

PROPERTY LINE 50.00'

EXISTING SIDEWALK

EXISTING CURB

**SURFACE DRAINAGE**

SURFACE WATER SHALL DRAIN AWAY FROM  
BUILDING A MIN OF 5% WITHIN THE FIRST 10' AND  
2% FOR IMPERVIOUS SURFACES

**soil report:**

MARTIN R. CHEN PE, GC  
1042 ORIENTA DRIVE, SAN DIEGO, CA 92115  
TEL: 619-552-5122, FAX: 619-552-1042  
EMAIL: MARTINCHEN@GTECHENGINEER.COM  
JOB NO. 14006  
AUGUST 11, 2014



**1404 COOLIDGE AVE NATIONAL CITY 91950**

CENTER OF STREET

**PLOT PLAN**

**JOB NO. 14006**

CENTERLINE OF STREET

EXHIBIT: A  
CASE FILE NO.: 2016-18 dup, L-5  
DATE: 7/14/2016



**EXHIBIT: B**  
**CASE FILE NO.: 2016-18 W.P.L.S**  
**DATE: 7/14/2016**

TENTATIVE PARCEL MAP NO. \_\_\_\_\_  
TENTATIVE PARCEL MAP EXHIBIT

# LEGEND

SPOT ELEVATION ± 16.6  
CHAIN LINK FENCE ---  
GAS LINE ---  
WATER METER [Symbol]  
SEWER METER [Symbol]

## PROPERTY ADDRESSES:

316 W 14TH STREET  
1404 COOLIDGE AVENUE  
1406 COOLIDGE AVENUE

DEVELOPMENT SUMMARY AND NOTES:  
THIS IS A CONDOMINIUM PROJECT  
AS DEFINED IN SECTION NO. 4125 OF  
THE CIVIL CODE OF THE STATE OF CALIFORNIA.

THIS IS A CONDOMINIUM CONVERSION  
OF 3 RESIDENTIAL UNITS TO BE ON A  
SINGLE LOT BY A LOT MERGER PARCEL  
MAP.

MAPPING AND MONUMENTATION NOTE:  
A LOT MERGER PARCEL MAP WILL FILE  
WITH A PROCEDURE OF SURVEY AND  
SETTING THE PROPERTY CORNERS FOR  
THIS SUBDIVISION OF LAND.

ASSESSORS PARCEL NUMBER:  
559-063-14

NO DEVELOPMENT IS PROPOSED.

LEGAL DESCRIPTION:  
LOTS 21 AND 22 OF BLOCK 114 OF NATIONAL CITY,  
IN THE CITY OF NATIONAL CITY, COUNTY OF SAN  
DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP  
THEREOF NO. 348, FILE IN THE OFFICE OF THE COUNTY  
RECORDER OF SAN DIEGO, OCTOBER 2, 1892.

LOT AREAS:  
LOT 21 = 2875 SQFT  
LOT 22 = 2875 SQFT

PROPOSED LOT AREA LOT  
21 AND LOT 22 COMBINED = 5750 SQFT

BUILDING AREAS:  
BUILDING 1 = 657 SQFT  
BUILDING 2 = 663 SQFT  
BUILDING 3 = 666 SQFT

NO EXISTING EASEMENTS.

TOPOGRAPHIC SURVEY CONDUCTED  
BY MONTES DE OCA'S SURVEYING  
ON AUGUST 1, 2015.

ALL PUBLIC UTILITIES ARE IN PLACE.

GAS MAIN IS LOCATED ON  
COOLIDGE AVE AND REFERENCE  
AS-BUILT DRAWING NO. 951-L.

SEWER MAIN LINE IS LOCATED ON  
W 14TH STREET SERVICING ALL DWELLINGS.

ELECTRICAL LINES ARE ALL OVERHEAD LINES  
SERVICING ALL DWELLINGS.

FIRE HYDRANT LOCATION:  
SE CORNER OF HARDING AVENUE  
AND WEST COOLIDGE AVE  
APPROX. 400 FEET OF PROJECT  
SITE.

## OWNERS:

WILLIAM AND DIANA LEWALLEN  
170 CYPRESS STREET, CHULA VISTA, CA

## PREPARED BY:

JOHN MONTES DE OCA, PLS 8144

## PRELIMINARY

1535 MAX AVENUE  
CHULA VISTA, CA. 91911  
(619) 318-8818

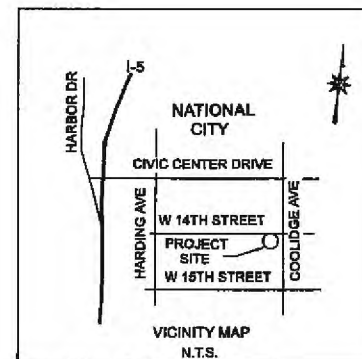
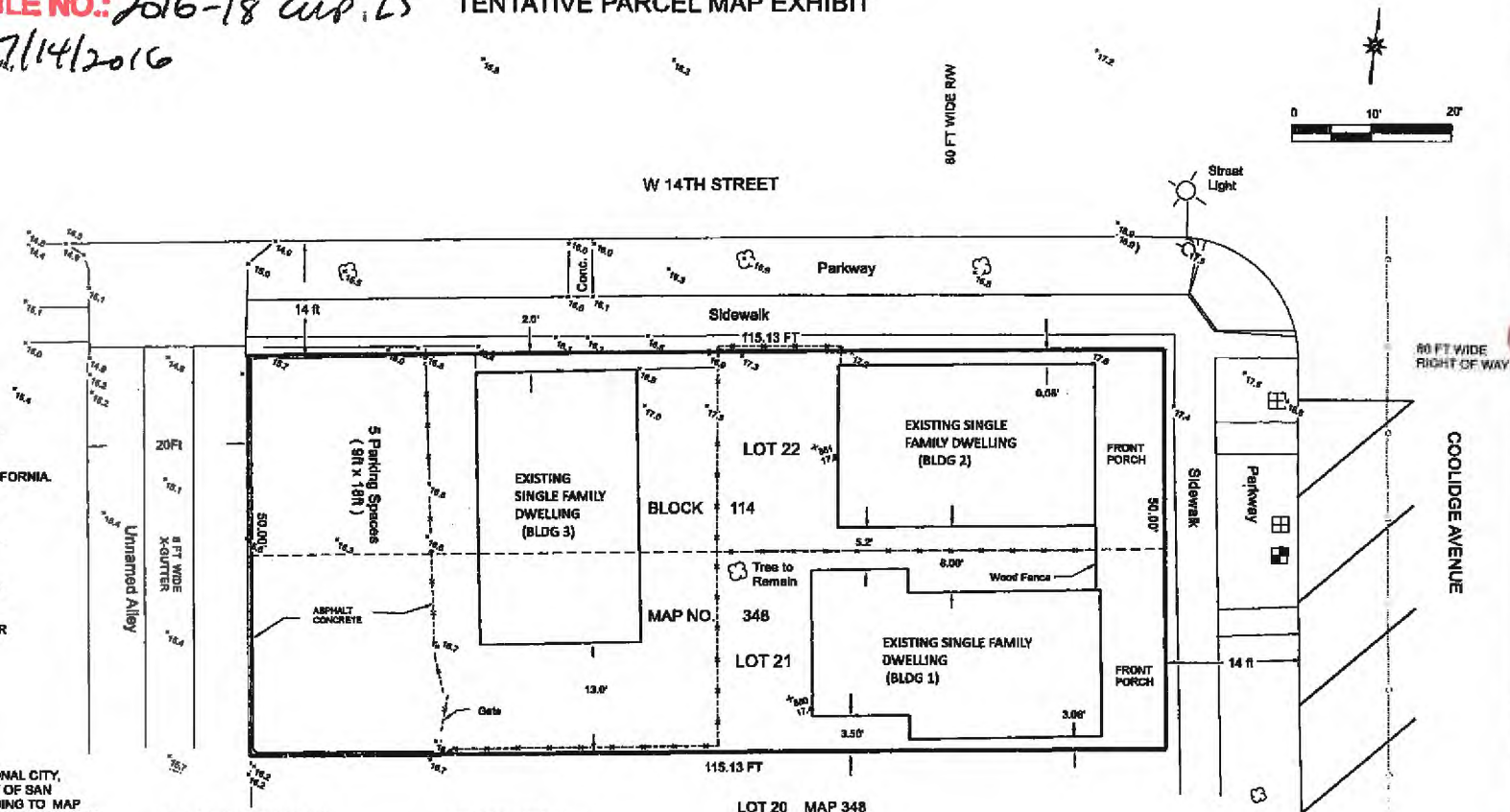
PROPERTY ZONING:  
MULTI-RESIDENTIAL 2-4

BENCHMARK:  
BRASS PIN @ 8" COR  
OF HARDING AVENUE  
AND W 14TH STREET  
ELEVATION: 14.24 MSL

TOPO ELEV. RANGE ON  
PROPERTY 16.2 - 17.9

Common Area:  
ALL OF LOT 21 AND 22 OF BLOCK 114 OF  
Map 348 at Elevation 60.00 to 61.00  
above MSL elevation.

ALL THREE STRUCTURES WERE VIRTUALLY  
REMODELED COMPLETELY WITH BUILDING  
PERMITS ON FILE IN CITY RECORDS ON  
MARCH OF 2015.



The following page(s) contain the backup material for Agenda Item: Resolution of the Community Development Commission-Housing Authority of the City of National City authorizing the Executive Director to execute an Exclusive Negotiating Agreement by and between the Community Development Commission-Housing Authority of the



**CITY OF NATIONAL CITY, CALIFORNIA  
COMMUNITY DEVELOPMENT COMMISSION-HOUSING AUTHORITY  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** December 6, 2016

**AGENDA ITEM NO.** |

**ITEM TITLE:**

Resolution of the Community Development Commission-Housing Authority of the City of National City authorizing the Executive Director to execute an Exclusive Negotiating Agreement by and between the Community Development Commission-Housing Authority of the City of National City and Community HousingWorks, Inc., a California non-profit public benefit corporation, and Mercy Housing California, Inc., a California non-profit public benefit corporation for the recapitalization and rehabilitation of Kimball and Morgan Towers located at 1317 and 1415 "D" Avenue in National City.

**PREPARED BY:** Carlos Aguirre, Housing & Economic  
Development Manager



**DEPARTMENT:** Housing & Economic  
Development

**PHONE:** 619-336-4391

**APPROVED BY:** 

**EXPLANATION:**

See Attachment No. 1.

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ **Finance**  
**APPROVED:** \_\_\_\_\_ **MIS**

See Financial Impact Statement in Attachment No. 1.

**ACCOUNT NO.** |

**ENVIRONMENTAL REVIEW:**

Approval of the exclusive negotiating agreement is not a "Project" under section 15378 of the California Environmental Quality Act ("CEQA") Guidelines because the proposed action consists of administrative activity that will not result in direct or indirect physical changes to the environment and, as such, pursuant to section 15061(b)(3) of the CEQA Guidelines is not subject to CEQA.

**ORDINANCE:** **INTRODUCTION:** ☐ **FINAL ADOPTION:** ☐

**STAFF RECOMMENDATION:**

Adopt the resolution.

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

Attachment No. 1: Staff Report  
Attachment No. 2: Exclusive Negotiating Agreement with RFQ attached as Exhibit "A"  
Attachment No. 3: Resolution

**COMMUNITY DEVELOPMENT COMMISSION-HOUSING AUTHORITY  
OF THE CITY OF NATIONAL CITY**

**STAFF REPORT**

December 6, 2016

**Item:**

Resolution of the Community Development Commission-Housing Authority of the City of National City ("CDC-HA") authorizing the Executive Director to execute an Exclusive Negotiating Agreement by and between the Community Development Commission-Housing Authority of the City of National City and Community HousingWorks, Inc., a California non-profit public benefit corporation, and Mercy Housing California, Inc., a California non-profit public benefit corporation for the recapitalization and rehabilitation of Kimball and Morgan Towers located at 1317 and 1415 D Avenue in National City.

**Background:**

Kimball and Morgan Senior Towers ("Towers") are located in central National City, within the Kimball Community. The two nine-story Towers are located on D Avenue between Kimball Way and 15th Street. Morgan Senior Tower is a 151-unit affordable senior residential property built in 1978. Kimball Senior Tower is a 152-unit affordable senior residential property completed in 1986.

On March 4, 2016, the CDC-HA's Board of Commissioners ("CDC-HA Board") was presented with a draft RFQ to provide direction in considering qualified development teams for the recapitalization and rehabilitation of the Towers. The RFQ process presented was modeled after the RFQ previously issued in March 2010 for the Kimball and Morgan Tower Enhancement and Expansion Project. The CDC-HA was supportive and voted in favor of staff issuing the RFQ as drafted. The draft RFQ incorporated a Selection Committee to be composed of experienced professionals and community members with working knowledge of affordable housing development, public finance, and community needs that could deliberate on and rank RFQ submissions with respect to the goals, objectives, and scoring criteria provided in the RFQ. The RFQ was issued on March 24, 2016 and is included in the Staff Report as Attachment No.1. The RFQ solicited responses from professional affordable housing development teams and considered the following criteria:

1. Experience and qualifications (Max. Score: 25)
2. Leveraging of non-CDC-HA resources (Max. Score: 20)
3. Financial Capacity (Max. Score: 20)
4. Operating Experience (Max. Score: 20)
5. Resident Services and Involvement (Max Score: 15)

Staff reviewed the RFQ submissions first for completeness and, on the week of May 30, 2016, delivered copies of the eight RFQ submittals to each member of the Selection Committee. The Selection Committee convened on Monday, June 6, 2016 to review and score each submission

in an effort to select the project development teams who would be invited to interview. The Selection Committee selected five RFQ proposals for interviews scheduled for Monday, June 13, 2016. After the interviews were completed, the Selection Committee scored the development teams interviewed based on the RFQ's criteria taking into consideration the quality of each interview with the Selection Committee. By calculating an average of all cumulative scoring provided by each Selection Committee Member, the development team consisting of Community Housing Works and Mercy Housing California ranked the highest overall out of a total of 100 points:

1. Community HousingWorks and Mercy Housing California (Overall Score: 83.4)
2. Bridge Housing Corporation (Overall Score: 81.6)
3. Chelsea and Serving Seniors (Overall Score: 77.8 )
4. National Community Renaissance of California and Reiner Communities (Overall Score: 77.5)
5. The RAHD Group, Affirmed Housing, Community Preservation Partners LLC, Thompson Consulting, and Casa Familiar (Overall Score: 70.6)

At the Regular Meeting on October 4, 2016 of the CDC-HA staff provided a recommendation to the CDC-HA Board to select Community Housing Works and Mercy Housing as the developer for the rehabilitation and recapitalization of Kimball and Morgan Towers.

#### **Written and Oral Comments- October 4, 2016 CDC-HA Resolution Item #22**

The City Council and City Staff received a letter ("Letter") dated July 11, 2016, on behalf of development team consisting of the RAHD Group, Affirmed Housing, Community Preservation Partners LLC, Thompson Consulting, and Casa Familiar and referred to in the Letter as Morgan-Kimball Community Partners. The Letter thanked staff for their efforts in managing the RFQ but expressed concerns with the process and suggested that the CDC-HA Board should have played greater role in the RFQ selection process. The public had the opportunity to comment on the RFQ process when it was introduced for discussion at a public meeting of the CDC-HA on March 4, 2016, but no comments were received. The CDC-HA Board directed staff to issue the proposed RFQ as drafted which incorporated a Selection Committee of affordable housing and public finance professionals and community members to deliberate over the RFQ submissions and select a development team for further consideration by the CDC-HA.

The City Manager received a letter ("Chamber's Letter") from National City Chamber of Commerce. The Chamber's Letter suggested that the CDC-HA conduct a Request for Proposals ("RFP") instead of working through an exclusive negotiations agreement with the development team selected through the Request for Qualifications. An RFP process would require that every development team considered invest substantially more time and resources in due diligence including but not limited to performing or procuring extensive studies with regards to the capital assets and current financial conditions and projections for the project. The CDC-HA would also have to procure additional financial and other consultants to fully review all of the proposals submitted through an RFP, instead of working closely with the RFQ development team selected to exclusively negotiate the best terms and conditions with the CDC-HA for the project.

State of California Assemblywoman Lorena Gonzalez submitted a letter requesting that the five development teams that provided presentations to the Selection Committee be provided an opportunity to make presentations to the CDC-HA Board for further consideration. A letter was also received from Congressman Juan Vargas requesting that CDC-HA Board consider presentations from the five development teams interviewed by the Selection Committee. Mitch Thompson of Thompson Consulting associated with Morgan-Kimball Community Partners also submitted additional written comments included in the public record.

At the CDC-HA Regular Meeting on October 4, 2016, the CDC-HA Board acknowledged the written comments received and listened to oral comments regarding the Request for Qualifications process and on Staff's recommendation. After consideration of written and oral comments, the CDC-HA Board decided to hold an Adjourned Regular Meeting on October 25, 2016 to allow all five development teams to present to the CDC-HA Board the identical presentations that were made to the Selection Committee after which the CDC-HA Board would take final action on the Selection Committee recommendation.

**Developer Presentations to the CDC-HA Board on Tuesday, October 25, 2016, 5:00 p.m.:**

Presentations by all five development teams that presented to the Selection Committee were allowed to present as was directed by the CDC-HA Board on October 4, 2016. The CDC-HA Board was provided with each RFQ submission and any materials also provided during the RFQ Selection Committee presentations. The development team RFQ responses that were originally submitted have been made available for review on the City of National City website at [www.nationalcityca.gov/rfq](http://www.nationalcityca.gov/rfq). The order of the presentations below was drawn randomly by the City Clerk. As directed by the CDC-HA Board, the presentation ground rules were provided in advance to each development team and are the following:

1. Presentations will be the same as made to the original Selection Committee, including the answers to the prior interview questions.
2. Presenters will have no more than 20 minutes, immediately followed by 20 minutes for questions and answers.
3. Presentations should not include a discussion of financial proposals to the Housing Authority unless such proposal was part of the original presentation.
4. Presenters should address the attached interview questions during their 20 minute presentations.
5. During development presentations, members of other development teams are asked to refrain from being present in City Council Chambers, out of fairness to each presenting group.
6. As requested by the CDC-HA Board, presenters should refrain from submitting organized public comment.

**Presentation Schedule**

5:10 p.m.	The RAHD Group, Affirmed Housing, Community Preservation Partners LLC, Thompson Consulting, and Casa Familiar
5:50 p.m.	Bridge Housing Corporation
6:30 p.m.	Community HousingWorks and Mercy Housing California



7:10 p.m. Chelsea Investment Corporation and Serving Seniors

7:50 p.m. National Community Renaissance of California and Reiner Communities

Councilmember Alejandra Sotelo-Solis recused herself from participation on this item in the October 25<sup>th</sup> meeting out of an “abundance of caution” for the potential existence of conflict of interest. After the presentations were completed, the CDC-HA Board decided to defer the selection of a Developer until the adjourned regular meeting of the CDC-HA on November 15<sup>th</sup>. The deferral would potentially allow for Councilmember Sotelo-Solis to participate in the selection of a Development Team upon further determination of the existence of a conflict of interest by the Fair Political Practices Commission of the State of California (“FPPC”). Since the FPPC did not render a determination by November 15<sup>th</sup>, the item was postponed until the regular meeting of the CDC-HA on December 6, 2016 for further consideration.

**Adoption of Resolution- Staff Recommendation:**

The RFQ Selection Committee, made up of affordable housing and public finance professionals and community members and Staff recommends the selection of Community HousingWorks and Mercy Housing California as the developer for the Recapitalization and Rehabilitation of Kimball and Morgan Towers. The development team formed by Community HousingWorks and Mercy Housing California scored the highest among those interviewed and their qualifications indicate the ability to deliver on the goals and objectives outlined in the Request for Qualifications issued by the CDC-HA. Staff has not identified a significant advantage to the City in further delaying this project (i.e. by reissuing the RFQ, further reconsidering the submissions or issuing an RFP in lieu of the RFQ process). In fact, such delays may jeopardize the CDC-HA’s ability to complete the project in a timeline that would allow the CDC-HA to take advantage of favorable interest rates and negotiate the best terms on the renewal of the Department of Housing and Urban Development (HUD) Housing Assistance Payment contracts.

Based on the above, Staff recommends that the CDC-HA Board enter into an ENA with Community HousingWorks and Mercy Housing California for the Recapitalization and Rehabilitation of Kimball and Morgan Towers.

**Fiscal Impact:**

Each party shall be responsible for its own costs and expenses in connection with any activities and negotiations undertaken in connection with the performance of its obligations under the ENA. The CDC-HA has budgeted for consultants needed to complete negotiations through Account No. 532-419-462-209-0000 and Account No. 532-419-462-213-0000 through the end of Fiscal Year 2016-2017. The CDC-HA estimates its total cost for legal and financial consultants should not exceed a total of \$20,000 during the negotiation period.

## EXCLUSIVE NEGOTIATING AGREEMENT (Morgan and Kimball Tower)

This Exclusive Negotiating Agreement (“Agreement”) is dated as of the \_\_\_\_ day of \_\_\_\_\_, 2016 ( “Agreement Date”), by and between the Community Development Commission-Housing Authority of the City of National City (“CDC-HA”) and Community HousingWorks, a California nonprofit public benefit corporation, and Mercy Housing California, a California nonprofit public benefit corporation (collectively, the “Developer”).

### RECITALS

A. The CDC-HA owns the Kimball and Morgan Towers, which are generally located at 1317 D Avenue and 1415 D Avenue in the City of National City, County of San Diego, California (“Property”).

B. The Developer desires to recapitalize the Property and rehabilitate the improvements thereon generally as set forth in that certain Request for Qualifications (“RFQ”) issued by the CDC-HA dated March 24, 2016, a copy of which is attached hereto as Exhibit A. Community HousingWorks and Mercy Housing California responded jointly to the RFQ and the entities are jointly referred to as Developer throughout this agreement.

C. The CDC-HA and Developer desire to negotiate any and all agreements reasonably necessary for the CDC-HA to ground lease the Property and transfer title to the improvements thereon to the Developer and for the Developer to recapitalize and rehabilitate the Property as generally set forth in the RFQ (“Project”). The Property is currently being used as affordable housing for senior citizens, and this ENA and the Project do not contemplate changing the use of the Property.

D. The purpose of this Agreement is to establish a period during which Developer shall have the right to exclusively negotiate with the CDC-HA the terms of the ground lease of the Property, the transfer title to the improvements thereon to the Developer and the implementation of the Project.

NOW, THEREFORE, Developer and the CDC-HA, hereby agree as follows:

1. Negotiating Period. The CDC-HA agrees to exclusively negotiate with Developer and Developer agrees to exclusively negotiate with the CDC-HA regarding the terms of any and all agreements reasonably necessary respect to the Project for a one (1) year period beginning on the Agreement Date (“Negotiating Period”). The CDC-HA and Developer shall negotiate diligently and in good faith to carry out the obligations of this Agreement during the Negotiating Period. The obligation to negotiate in good faith requires the respective parties to communicate with each other with respect to those issues for which agreement has not been reached, and such communication to follow reasonable negotiation procedures, including meetings, telephone conversations, and correspondence.

2. Site Control. The Property is currently owned by the CDC-HA.

3. Costs and Expenses. Each party shall be responsible for its own costs and expenses in connection with any activities and negotiations undertaken in connection with the performance of its obligations under this Agreement.

4. Activities During Negotiating Period.

(a) Due Diligence. During the Negotiating Period, the CDC-HA shall provide the Developer and its contractors, consultants and employees with access to the Property as set forth in Section 9, below. CDC-HA will deliver to the Developer copies of: (i) all prior assessments in its possession or control related to the Property, including but not limited to Phase I and II Environmental, geotechnical, as-built building plans, specialized physical system inspections and assessments including roof, mechanical equipment, vertical transportation, building envelope and structural systems, survey including ALTA survey, if any; (ii) all HUD contracts and inspection reports, rent rolls, and financial statements for the Property in its possession or control, if any. In addition, CDC-HA will provide Developer feasibility for potential legal parcel modification.

(b) Conceptual Proposal. Developer agrees that not later than One Hundred Eighty (180) days following the Agreement Date, Developer shall submit to the CDC-HA for review, a proposal for development of the Property and the Project, with supporting documents. In addition, Developer will provide the CDC-HA with the following documents, reports and information prior to the expiration of this Agreement:

(1) The potential unit mix by number of bedrooms (if the Developer proposes a change from the existing unit mix), proposed income targeting, proposed rehabilitation work with preliminary cost estimates, and site amenities, with a schedule for implementation.

(2) A proposed schedule for rehabilitation of the Property/development of the Project.

(3) A financial pro forma which contains: (i) a projected development budget for the Project, (ii) a projected sources and uses analysis, (iii) a 15-year cash flow analysis, (iv) a proposed rent schedule and utility allowance schedule, (v) a projected operating budget for the Project, (vi) a phasing plan if applicable for development of the Project as two separate projects; and (vii) a proposal for long term contracts with U.S. Department of Housing and Urban Development and /or CDC-HA for project based housing vouchers.

(4) Preliminary evidence of conventional construction and permanent financing options.

(5) The name and qualifications of the architect which Developer proposes to use, if any. The CDC-HA will approve or disapprove the proposed architect in its sole and absolute discretion.

(6) The name and qualifications of the management agent that Developer proposes to use. The CDC-HA will approve or disapprove the proposed management agent in its sole and absolute discretion.

(c) Negotiation and Approval of Agreements. If both the CDC-HA and Developer are satisfied with the proposed Project following submission of the documents in Subsection 4(b), the CDC-HA and Developer shall seek in good faith to negotiate and draft any and all mutually acceptable agreements reasonably necessary for the Project and for the Developer to demonstrate site control of the Project required by the California Tax Credit Allocation Committee and California Debt Limit Allocation Committee and U.S. Department of Housing and Urban Development. However, by entering into this Agreement, the Parties are not contractually bound to enter into any further agreements.

5. Termination/Expiration of Agreement. Except as provided in Section 10, below, or if this Agreement is extended by written consent of the Executive Director the CDC-HA and Developer, if at the end of the Negotiating Period, the CDC-HA and Developer have not agreed upon mutually acceptable agreements reasonably necessary for the development of the Project, then this Agreement shall terminate.

6. Cooperation. The CDC-HA agrees to cooperate with Developer in supplying proposed lenders or investors with appropriate information, if available and not otherwise privileged, to facilitate the Developer's financing for the Project. The CDC-HA shall also cooperate with Developer's professional consultants and associates in providing them with any information and assistance reasonably within the capacity of the CDC-HA to provide in connection with the proposed Project.

7. Nondiscrimination. Developer shall not discriminate against nor segregate, any person, or group or persons on account of sex, race, color, marital status, religion, creed, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Project, nor shall Developer establish or permit any such practice or practices of discrimination or segregation in the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Project.

8. Environmental Requirements. Certain state and local environmental requirements (including, but without limitation, the California Environmental Quality Act of 1970, Public Resources Code Section 21000, et seq.) may be applicable to the proposed Project. Pursuant to such requirements, certain environmental documents may be required to be prepared and certified for the proposed Project.

9. Inspection of the Property. Developer and its agents, representatives, consultants and contractors may enter upon the Property, upon not less than forty-eight (48) hours advance notice to the CDC-HA, solely for the purpose of conducting visual, non-invasive inspections of the Property as further described in Section 4. If the Developer desires to do any invasive testing at the Property, the Developer may do so only after obtaining the CDC-HA's prior written consent to the same, which consent may be withheld or granted on conditions in the CDC-HA's sole and absolute discretion. The Developer shall provide the CDC-HA with a complete set of plans,



drawings and specifications (“Invasive Testing Plans”) that define to the sole satisfaction of the CDC-HA the invasive testing to be performed on the Property and the names of all environmental and other consultants, contractors and subcontractors who will be performing such invasive testing (collectively “Developer’s Consultants”). The Developer shall deliver the names of the Developer’s Consultants and the Invasive Testing Plans to the CDC-HA concurrently with its request to the CDC-HA that the Developer desires to perform invasive testing. The Developer shall promptly restore the Property to the condition the Property was in immediately prior to any such tests, at the Developer’s sole cost and expense. The Developer’s Consultants, the Developer and each of their agents, representatives, consultants and contractors entering the Property shall maintain commercial general liability insurance covering such entry, in the amounts of Two Million Dollars (\$2,000,000.00) combined single limit for each occurrence or Four Million Dollars (\$4,000,000.00) general aggregate for bodily injury, personal injury and property damage including contractual liability. Prior to entering upon the Property, the Developer and any of its agents, representatives, consultants and contractors entering upon the Property shall provide, additional insured endorsements naming the CDC-HA and the City of National City as additional insureds. The Developer shall indemnify and defend the CDC-HA, the City of National City and their agents and employees and the Property from and against, and shall hold the CDC-HA, the City of National City and their agents and employees and the Property harmless from, any actions, losses, costs, damages, claims and/or liabilities, including but not limited to, mechanics’ and materialmen’s liens and attorney fees, proximately caused by the actions of Developer and/or its agents, representatives, consultants and contractors upon the Property. The Developer shall repair any damage caused to the Property by the Developer or its agents, representatives, consultants and contractors. The Developer shall not permit any mechanic’s, materialman’s, contractor’s, subcontractor’s or other lien arising from any work done by the Developer or its agents, representatives, consultants and contractors pursuant to this Agreement to stand against the Property. If any such lien shall be filed against the Property, the Developer shall cause the same to be discharged or bonded within ten (10) days after actual notice of such filing, by payment, deposit, bond or otherwise. The Developer’s obligations under this Section 9 shall survive the termination or expiration of this Agreement.

10. Developer.

(a) Developer Experience. As a condition precedent to the CDC-HA’s execution of this Agreement, Developer submitted to the CDC-HA a detailed response to the RFQ regarding development experience of the Developer and its principals, associates, employees, partners and joint ventures.

(b) Offices of Developer. The principal offices of the Developer are located at:

2815 Camino del Rio South, Suite 350  
San Diego, CA 92108  
Phone (619) 282-6647

The Project Manager for the Developer will be Mary Jane Jagodzinski

11. Address for Notices. Any notices pursuant to this Agreement shall be sent to the following addresses:

To CDC-HA: Community Development Commission-  
Housing Authority of the City of National City  
1243 National City Blvd.  
National City, California 91950  
Attn: Executive Director

Copy to: Christensen & Spath LLP  
550 West C Street, Suite 1660  
San Diego, CA 92101  
Attn: Walter F. Spath, Esq.

To Developer: Community HousingWorks  
2815 Camino Del Rio South, Suite 350  
San Diego, CA 92108  
Attn: Susan M. Reynolds, CEO

Mercy Housing California  
1500 South Grand Avenue, Suite 100  
Los Angeles, California 90015  
Attn: Ed Holder

12. Entire Agreement. This Agreement constitutes the entire understanding and agreement of the parties, integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties or their predecessors in interest with respect to all or any part of the subject matter hereof.

13. Amendment of Agreement. No modification, rescission, waiver, release or amendment of any provision of this Agreement shall be made except by a written agreement executed by the CDC-HA and Developer.

14. Future Agreements to Supersede this Agreement. This Agreement will be superseded, if and when the Developer and CDC-HA approve and execute all mutually acceptable agreements reasonably necessary for the development of the Project.

15. Assignment Prohibited. In no event shall Developer assign or transfer any portion of Developer's rights or obligations under this Agreement without the prior express written consent of the CDC-HA, which consent may be withheld in the CDC-HA's sole and absolute discretion.

16. Time of Essence. Time is of the essence of every portion of this Agreement in which time is a material part.

17. Signature Authority. All individuals signing this Agreement for a party which is a corporation, limited liability company, partnership or other legal entity, or signing under a power of attorney, or as a trustee, guardian, conservator, or in any other legal capacity, covenant to the

CDC-HA that they have the necessary capacity and authority to act for, sign and bind the respective entity or principal on whose behalf they are signing.

18. Counterparts. This Agreement may be executed in counterparts.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

**CDC-HA:**

Community Development Commission-Housing Authority of the City of National City

By: \_\_\_\_\_  
Leslie Deese, Executive Director

**APPROVED AS TO FORM:**

Christensen & Spath LLP

By: \_\_\_\_\_  
Walter F. Spath III  
Special Counsel to the CDC-HA

**[SIGNATURES CONTINUED ON FOLLOWING PAGE]**

**DEVELOPER:**

Community HousingWorks, a California nonprofit public benefit corporation

By:   
Anne B. Wilson, Senior Vice President

Mercy Housing California, a California nonprofit public benefit corporation

By: \_\_\_\_\_  
Ed Holder, Regional Vice President



7b

**DEVELOPER:**

Community HousingWorks, a California nonprofit public benefit corporation

By: \_\_\_\_\_  
Anne B. Wilson, Senior Vice President

Mercy Housing California, a California nonprofit public benefit corporation

By:  \_\_\_\_\_  
Ed Holder, Regional Vice President

## **EXHIBIT A**

**Request for Qualifications issued by the CDC-HA dated March 24, 2016**

# REQUEST FOR QUALIFICATIONS (RFQ)

**Morgan and Kimball Towers  
Rehabilitation and Recapitalization  
1415 & 1317 D Avenue  
National City, California**



**March 24, 2016  
RFQ Deadline:  
Thursday, May 12, 2016, 2:00 p.m. PST**

Community Development Commission-  
Housing Authority of the City of National City  
140 E. 12<sup>th</sup> St., Suite B  
National City, CA 91950

**RFQ AT A GLANCE****ISSUE DATE: March 24, 2016**

PROJECT TITLE:	Morgan and Kimball Towers Rehabilitation and Recapitalization Project
DESCRIPTION OF PROJECT	The Community Development Commission - Housing Authority of the City of National City (CDC-HA) intends to rehabilitate and recapitalize the existing Kimball and Morgan Towers. Kimball and Morgan Towers (Towers) are located in National City at 1317 D Avenue and 1415 D Avenue, respectively. They are owned by the CDC-HA and help serve National City's affordable senior housing needs. The CDC-HA is seeking qualifications from experienced non-profit or for profit developers to enter into an Exclusive Negotiation Agreement to complete due diligence and design and is expected to lead to a Disposition and Development Agreement to rehabilitate and recapitalize existing structures.
DEPARTMENT REQUESTING	Housing, Grants, and Asset Management
SUBMITTAL DEADLINE	Three (3) original copies of submittal due 2:00 p.m. Thursday, May 12, 2016 in hard copy (no facsimile or e-mailed submittals)
DELIVER SUBMITTAL TO	City of National City Office of the City Clerk 1243 National City Blvd National City, CA 91950
PRIMARY CONTACT	Carlos Aguirre Community Development Manager City of National City 140 E. 12 <sup>th</sup> St., Suite B National City, CA 91950 Direct Line: (619) 336-4391 Fax: (619) 336-4292 caguirre@nationalcityca.gov



## BACKGROUND

**The General Plan's Housing Element:** National City's Housing Element (a required section in the General Plan) lays out an objective of continuing to provide housing opportunities and development of programs to improve the existing housing stock. The rehabilitation and recapitalization of Kimball and Morgan Towers ("Towers") is in line with each of these objectives.

**Community Need and Relevance to General Plan:** The existing structures are dated and are in need of rehabilitation (Kimball built in 1986 and Morgan in 1978). Additionally, the availability of senior housing in National City is far below demand. The Towers have a 1.5 to 3 year waiting period and other affordable senior housing facilities within the city are experiencing comparable waiting periods. These trends will be amplified in the coming years as the baby boom generation continues to move into senior status (62+) and by the fact that people are living longer.

To meet future community needs, the CDC-HA must transform the Property into a financial sustainable real estate asset; preserve affordability; improve resident experience; and insure the City's housing infrastructure by restructuring current debt to leverage additional private and public funding sources

**The Project Site:** The Towers are located in central National City, within the Kimball Community. It is across the street from Kimball Park, and near Wal-Mart and other commercial businesses, the Boys and Girls Club, a Fire Station, a health center, and civic facilities.

The project site (Attachment 1) is approximately 5.37 acres located on D Avenue between Kimball Way and 15<sup>th</sup> Street (APN: 561-410-05-00; 561-410-04-00) in National City. The site is in an RM3 zoned area. It is a residential multifamily zone specifically designated for senior citizen housing and allows higher density development than the standard residential multifamily units (22.9 units/acre). The CDC-HA may elect to segregate a portion of the subject parcels for the future development of housing.

Currently, the site is comprised of two 9-story senior housing complexes (Kimball and Morgan Towers) and Nutrition Center. There are a total of 303 units between the 2 towers: 152 units at Kimball Tower (150 currently unrestricted units rented to households at or below 50% AMI, and 2 units for property management staff), and another 151 at Morgan Tower (approximately 148 project-based units funded directly by the U.S. Department of Housing and Urban Development (HUD), 2 unrestricted

units rented to households at or below 50% AMI, and 1 unit for the assistant manager).

**Purpose:** The purpose of the Project is to renovate the buildings and common area of the property. The renovation will result in updated housing units and building systems, energy efficiency and technology improvements, improved resident services, and other interior and exterior improvements. The CDC-HA desires to retain ownership of the land and negotiate a long-term ground lease. It is recommended that the selected developer purchase and operate the existing senior housing units and other improvements from the CDC-HA and provide a long-term financial package to recapitalize the improvements to finance the rehabilitation, preserve current levels of affordability at or below 50% of Area Median Income and repay any financial assistance provided by the CDC-HA.

**Project Objectives:** The CDC-HA will take into strong consideration the applicant's ability to leverage outside resources to enhance the affordable housing project targeted for seniors. Submittals should prominently highlight the development teams past experience in seeking and being awarded grants and financing for similar projects. The project proposed shall (at a minimum) meet the following objectives:

1. Extend affordability covenants as feasible and the useful life of the improvement for at least 20 years without compromising affordability using any available financial resources.
2. Consider a financial structure that will maintain CDC-Housing Authority's ownership of the parcels through a long-term ground lease.
3. Assure full property renovation and rehabilitation including energy efficiency improvements, technology upgrades, upgraded building systems, and property/residential unit improvements.
4. Provide a method to relieve the City of National City's general fund subsidy to the George Waters Nutrition Center (Nutrition Center).
5. Allow the Nutrition Center to be managed and operated by the City of National City in the proposed financial model.

## SUBMITTAL REQUIREMENTS

### Development Team

- a. **Design Team:** Identify the Developer, Design Team and sub-consultants who will be responsible for implementing the proposed

project (name of individuals in charge, firm addresses, telephone numbers, website and e-mail addresses);

- b. Experience: Schedule of relevant projects completed by the developer and design team, including photographs, type of project, project address, unit count by type and size of unit, completed value, lenders involved (with contact references) and construction/completion dates. Experience with projects in an urbanized redevelopment area should be identified;
- c. Financial Partners: Identify all proposed financial partners for the project including banks, equity partners etc (name of firm and individuals in charge, addresses, telephone numbers, website and e-mail addresses);
- d. References: Each team member must include three professional references (lenders, investors, major accounts, etc.) with full names, relationship to team member, address and contact information.

### **Grant Funding Experience**

Identify and provide examples of past successful experience applying for and winning grant funding for similar projects in California.

### **RFQ Developer Statement of Qualifications Worksheet:**

Please complete and provide the Developer Statement of Qualifications Worksheet attached to this RFQ (Attachment 2).

### **Disclosure of relevant lawsuits:**

Identify any and all lawsuits involving any or all of the proposed team members related to similar projects within the past three years including any lawsuits between team members and municipalities or redevelopment agencies.

## **SELECTION PROCESS AND RFQ SCHEDULE**

This Request for Qualifications solicits responses for professional affordable housing development teams. As such, the selection of the preferred developer will not be based on the lowest bid and will, instead, consider all relevant and material factors. A Selection Committee will review and score (See Attachment 3 for Scoring Criteria) each proposal individually and will then meet as a group to discuss each proposal in an effort to select those firms and/or project teams who will be invited to an interview before the group. Notification of the invitation to interview will be

by telephone at least two weeks prior to the interview date. It is anticipated that interviews, if necessary, will be held from June 13-16, 2016. The CDC-HA will then attempt to enter into an Exclusive Negotiating Agreement (“ENA”) with the selected respondent to the RFQ. If an agreement cannot be reached, the City will approach and negotiate with the second highest ranked development team.

Issue date:	March 24, 2016
Qualifications due:	May 12, 2016, 2:00 p.m.
Interviews, if necessary:	June 13-16, 2016*
Development Team selected:	June 29, 2016

\*This schedule may be amended, except for the Qualification due date, at the sole discretion of the CDC-HA.

## TERMS AND CONDITIONS

Issuance of this RFQ does not commit CDC-HA to award an Exclusive Negotiation Agreement and/or any other contractual obligation, to pay any costs incurred in the preparation of a response to this request, or to procure a contract for services. All respondents should note that the execution of any agreement or contract pursuant to this RFQ is dependent upon the approval of the Board of Commissioners of the CDC-HA. The CDC-HA retains the right to reject any and all submittals.

### **The Community Development Commission-Housing Authority Rights Regarding this Invitation**

The CDC-HA each reserves the right to reject all submittals for any reason without indicating reasons for said rejection. The CDC-HA does not accept any financial responsibility for any costs incurred by respondent. Issuance of this Request for Qualifications does not commit the CDC-HA to award a contract, to pay any costs incurred in the preparation of a response to this request, or to procure a contract for services.

The CDC-HA reserves the right to waive any irregularities or informalities in the proposal or proposal process. The CDC-HA retains the right to reject all submittals. Selection is also dependent upon the negotiation of a mutually acceptable contract with the successful respondent(s).

The CDC-HA reserves the right to cancel, for any or no reason, in part or in its entirety, this RFQ, including but not limited to: selection schedule, submittal date, and submittal requirements.



**Acknowledgement of Amendments**

Each firm receiving a copy of this shall acknowledge receipt of any amendment to this Request for Qualifications by signing and returning the amendment with the completed proposal. The acknowledgment must be received by the CDC-HA at the time and place specified for receipt of proposals.

**Additional Information**

Questions regarding this solicitation shall be submitted in writing to:

Community Development Commission-Housing Authority  
Attn: Carlos Aguirre, Community Development Manager  
140 E. 12<sup>th</sup> St., Suite B  
National City, CA 91950

Or e-mail: [caguirre@nationalcityca.gov](mailto:caguirre@nationalcityca.gov)

Respondents/firms are cautioned that any oral statements made that materially change any portion of this RFQ are not valid unless subsequently ratified by a formal written amendment to this RFQ. No technical questions that may materially change any portion of this RFQ will be accepted during the seven calendar days prior to the time and date set for receipt of proposals.

**Nonconforming Terms and Conditions.**

Any proposal that includes terms and conditions that do not conform to the terms and conditions of this RFP is subject to rejection as non-responsive. The Community Development Commission-Housing Authority reserves the right to permit the respondent to withdraw non-conforming terms and conditions from its proposal prior to action by the Community Development Commission-Housing Authority to award a contract.

**Late Submissions.**

Any proposal received after the date and time specified for receipt shall not be accepted or considered.

**Right to Cancel**

The CDC-HA each reserve the right to withdraw or cancel, for any or no reason, at any time, in part or in its entirety, this RFP, including but not limited to: selection schedule, submittal date, and submittal requirements.

**Variations in Scope of Work**

The CDC-HA may materially change the scope of services by way of written amendment to this RFQ. Such changes may include additions, deletions, or other revisions within the general scope of RFQ requirements. The CDC-HA may waive the written requirement for a variation in the scope of services if, in the opinion of the CDC-HA, such variation does not materially change the item or its performance within parameters acceptable to the CDC-HA.

**Applicable Laws**

The contracts awarded shall be governed in all respect by the laws of the State of California, and any litigation related to the contract or this RFQ shall be brought in the State of California, with a venue of the San Diego Superior Courts. The firm(s) awarded the contracts shall comply with all applicable Federal, State, and local laws and regulations.

**Public Information**

All documents received by the CDC-HA are considered public records and will be made available after the RFQ selection for public inspection and copying upon request.

**Independent Contractor Status**

The respondent agrees, if selected, that he or she shall perform the services as independent contractor(s) and not employee(s) of the Community Development Commission-Housing Authority. The CDC-HA shall not be considered the employer of respondent. The respondent understands, if selected, the respondent shall have the sole responsibility for deciding the manner and means of providing the services, except as outlined in any final agreement and its attachments or exhibits.

**Indemnification**

The respondent agrees, if selected, to indemnify and hold harmless the City of National City and the CDC-HA and all their respective officers and employees from any and all liability, claims, costs, including reasonable attorney's fees, demands, damages, expenses, and causes of action as outlined in the contract.

**Examination of Solicitation**

The respondent understands that the information provided herein is intended solely to assist the respondent in submittal preparation. To the best of the CDC-HA's knowledge, the information provided is accurate. However, the CDC-HA does not warrant such accuracy, and any errors or omissions subsequently

determined will not be construed as a basis for invalidating this solicitation. Further, by submitting a response to this solicitation, the respondent represents that he or she has thoroughly examined and become familiar with work required in the solicitation and is capable of performing quality work and to achieve the objectives of the CDC-HA.

## INSURANCE

All required insurance (Attachment 2) shall be submitted within fifteen (15) days of notice of selection and prior to the commencement of any work. Failure to provide the insurance certificates within this time frame shall be cause for the proposal to be rejected as non-responsive. The entity/organization selected shall maintain insurance in full force and effect during the entire period of performance under the contract(s). Failure to do so shall be cause for termination of the contract(s).

All policies must have a thirty (30) day non-cancellation clause giving the Community Development Commission-Housing Authority thirty (30) days prior written notice in the event a policy is cancelled.

At the end of each contract year, the CDC-HA reserves the right to review insurance requirements and to require more or less coverage depending on the assessment of risk, the entity/organization's past experience, and the availability and affordability of increased liability insurance coverage.

## BUSINESS LICENSE

The Developer selected to perform the work described in this RFQ as well as all team members, sub-consultants and service providers will be required to obtain a National City Business License. Business Licenses can be obtained at the City of National Finance Department.

**SUBMITTAL DUE DATE**

Three (3) original copies of the submittal must be delivered to City Clerk's office no later than 2:00 p.m. on May 12, 2016.

Submittals received by FAX or e-mail will be deemed **not** received. Incomplete submittals, incorrect or false information, or late submittals are cause for immediate disqualification.

**CONTACT PERSONS**

Carlos Aguirre  
Community Development Manager  
City of National City  
1243 National City Blvd  
National City, CA 91950  
619/336-4391  
[caguirre@nationalcityca.gov](mailto:caguirre@nationalcityca.gov)

Alfredo Ybarra  
Director  
1243 National City Boulevard  
National City, CA 91950-4301  
619/336-4279  
[alfredoy@nationalcityca.gov](mailto:alfredoy@nationalcityca.gov)

**Attachments posted with this RFQ**

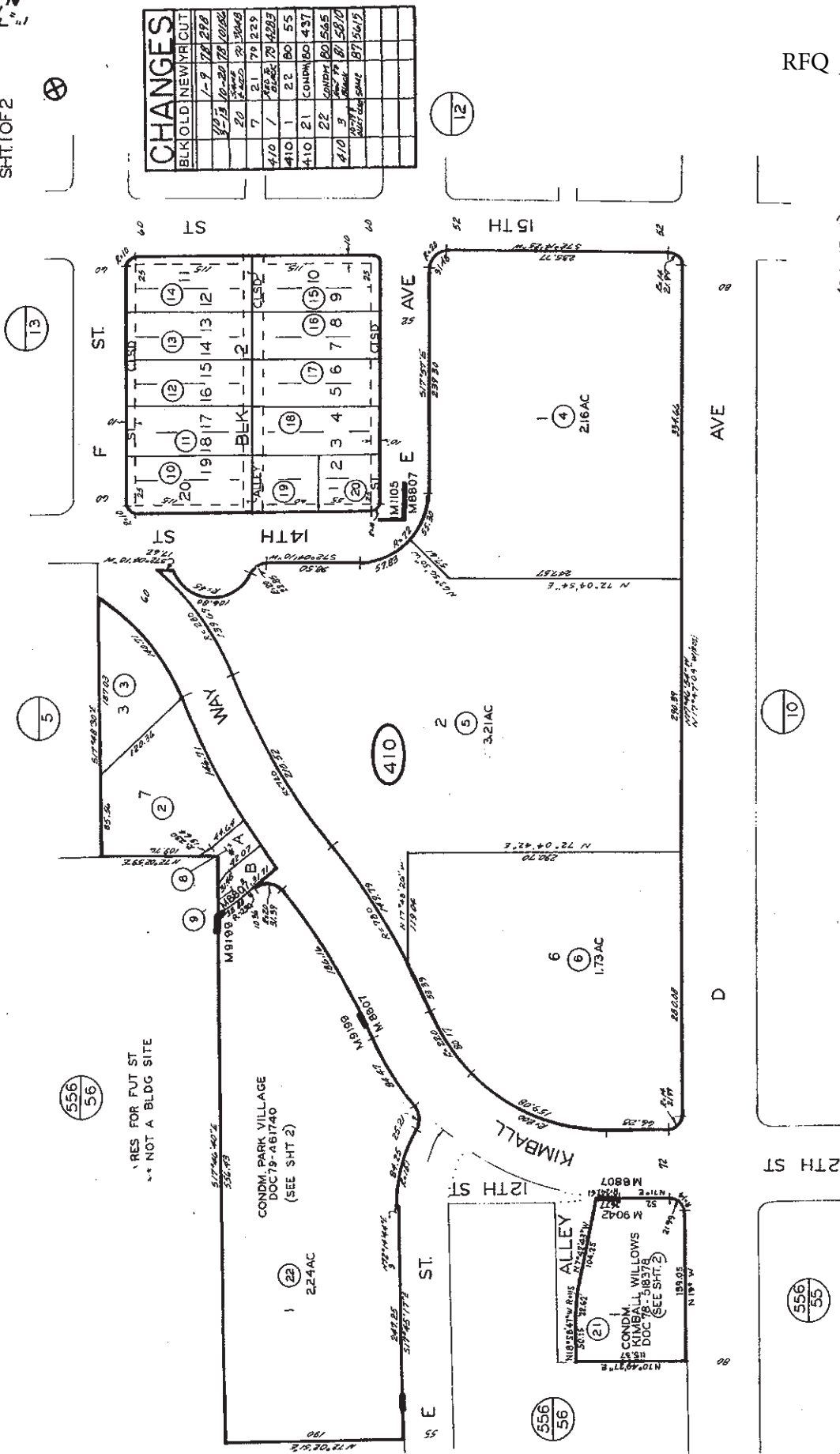
1. Site Parcel Map
2. Developer Qualifications Worksheet
3. Selection Criteria and Scoring
4. Insurance Requirements



## RFQ ATTACHMENT 1

MAP 9199 - PARK VILLAGE (CONDM)  
 MAP 9042 - KIMBALL WILLOWS  
 MAP 8807 - CENTER CITY PROJECT  
 MAP 1105 - LOZIER'S SUB  
 ROS 10144

560-41  
 SHT 1 OF 2



# DEVELOPER STATEMENT OF QUALIFICATIONS/ FINANCIAL SUMMARY

## DEVELOPER STATEMENT OF QUALIFICATIONS & FINANCIAL SUMMARY

### I. DEVELOPER INFORMATION

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone/Fax: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Is the Developer a subsidiary of/or affiliated with, any other Corporation(s), Joint Venture(s) or Firm(s)? ☐ No ☐ Yes

If yes, list each such Corporation, Joint Venture, or Firm by name & address, specify its relationship to the Developer, the % of interest of the partners & identify the Officers & Directors or trustees common to the Developer & such other Corporation or Firm:

Name of Corporation/Joint Venture/Firm: \_\_\_\_\_

Address: \_\_\_\_\_

Relationship to Developer: \_\_\_\_\_

Officers/Directors/Trustees: \_\_\_\_\_

%of Interest of the partners: \_\_\_\_\_

Individual(s) authorized to negotiate, on behalf of the development entity/team & responsible for project execution:

Name(s): \_\_\_\_\_

Position: \_\_\_\_\_

Telephone/Fax: \_\_\_\_\_

Email: \_\_\_\_\_

**II. FINANCIAL CAPACITY**

A. Sources & amount of cash available to Developer to meet equity requirements of the proposed undertaking in Bank(s):

1) Bank Name: \_\_\_\_\_

Address: \_\_\_\_\_

Amount: \$: \_\_\_\_\_

2) Bank Name: \_\_\_\_\_

Address: \_\_\_\_\_

Amount: \$: \_\_\_\_\_

B. By loans from affiliated or associated corporations or firms:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Source: \_\_\_\_\_

Amount: \$: \_\_\_\_\_

C. The Following are Three Bank References:

1) Bank Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Telephone: \_\_\_\_\_

2) Bank Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Telephone: \_\_\_\_\_

3) Bank Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Telephone: \_\_\_\_\_



## D. The Following are Three Bank References:

- 1) Company: \_\_\_\_\_  
Address: \_\_\_\_\_  
Relationship: \_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Telephone: \_\_\_\_\_
- 2) Company: \_\_\_\_\_  
Address: \_\_\_\_\_  
Relationship: \_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Telephone: \_\_\_\_\_
- 3) Company: \_\_\_\_\_  
Address: \_\_\_\_\_  
Relationship: \_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Telephone: \_\_\_\_\_

## RFQ Attach No. 2

- E. Has the Developer or (if any) the parent corporation or any subsidiary or affiliated corporation of the developers officers or principal members, shareholders or investors been adjudged bankrupt, either voluntary or involuntary, within the past ten years? ☐ No ☐ Yes

If yes, please provide the following information:

Date:

Location:

Bankruptcy was filed under the following name (s):

- F. Has the Developer or (if any) the parent corporation or any subsidiary or affiliated corporation of the Developer's officers or principal members, shareholders or investors been involved in litigation relating to a development project either voluntary or involuntary, within the past three years? ☐ No ☐ Yes

If yes, please provide the following information:

Date:

Place:

General Description:

Current Status:

- G. Total amount of development work completed by developer during the last three years:
- H. Projects currently in planning or development by the Developer or Principals of the development entity:
- I. Does any member of the Developers' Corporation/Partnership have any known relationship in connection with purchasing & implementing the Project with any member of the governing body of the Agency to which the accompanying proposal is being made, or to any officer or employee of the local public agency who exercises any functions or responsibilities in connection with the carrying out of the Project under which the local public agency covered by the Developers proposal is being made available? ☐ No ☐ Yes

If yes, explain:

- J. Statements & other evidence of the Developers Qualifications & Financial Responsibility are attached thereto & hereby made a part hereof as follows:

## CERTIFICATION

I/We \_\_\_\_\_ certify that this Developer Statement of Qualifications and Financial Responsibility & the attached evidence of the Developers qualifications and financial responsibility are true and correct to the best of my/our knowledge and belief, and that the information contained in this statement is considered public record and will be made available for public inspection and copying upon request. Availability of these public records begins when the Developer selection process includes public meetings.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City, State, Zip

\_\_\_\_\_  
City, State, Zip

*If the Developer is a Corporation, this statement should be signed by the President & Secretary of the Corporation; if an individual or proprietorship, by such individual; if a partnership, by one of the general partners; if an entity not having a President & Secretary, by one of its Chief Officers having knowledge of the financial status & qualifications of the Developer.*

**REQUEST FOR QUALIFICATIONS - MORGAN TOWER REHABILITATION AND RECAPITALIZATION**

Date

Evaluator:

Team being evaluated

Criteria In RFQ		Circle One (0= Lowest, 10= Highest)										Wt	Score	Max Score
<b>1</b>	<b>Experience and Qualifications</b>													
	Schedule of relevant projects completed by the developer and design team, including photographs, type of project, project address, unit count by type and size of unit, completed value, lenders involved (with contact references) and construction/completion dates. Experience with projects in an urbanized redevelopment area should be identified;	Experience in development, finance and property management of rental housing, including public, assisted, tax credit, market & mixed income. Experience with development in local area. Experience with community-based development, including collaboration with community organizations. Evidence of quality performance on-time and on-budget. Staff Notes: 1) HUD Experience should be required 2) Experience with public /private partnerships. 3) Senior housing development experience	1	2	3	4	5	6	7	8	9	10	2.5	25
<b>2</b>	<b>Leveraging</b>													
	Of special relevance to this RFQ is the City Council's desire to leverage outside resources to expand and enhance an affordable housing project targeted for seniors. Submittals should prominently review the development team's past experience in seeking and being awarded grants related to similar projects.	Approach to structuring the Public/Private Finance Plan	1	2	3	4	5	6	7	8	9	10	2	20
<b>3</b>	<b>Financial Capacity</b>													
	Identify all proposed financial partners for the project including banks, equity partners etc (name of firm and individuals in charge, addresses, telephone numbers, website and e-mail addresses)	Overall financial strength and credit of developer.	1	2	3	4	5	6	7	8	9	10	2	20
<b>4</b>	<b>Operating Experience</b>													
	Identify experience operating similar types of housing developments.	Experience with the operational requirements of developments similar in size and target population.	1	2	3	4	5	6	7	8	9	10	2	20
<b>5</b>	<b>Resident Services and Involvement</b>													
	Identify and provide examples of services provided to residents on housing they may have already developed.	Description of resident services provided by managing partner that best fit the needs of the target population.	1	2	3	4	5	6	7	8	9	10	1.5	15
														100





## **INSURANCE REQUIREMENTS**

**Please forward to your Insurance Agent immediately**

**PRIOR** to performing services for the City of National City, the City must have current Certificates of Insurance on file for all companies, contractors, and consultants.

### **Required Insurance Certificates per Sections 16 and 17 of the City's Agreement:**

- ⇒ Professional Liability Insurance (errors and omissions) with minimum limits of \$1M per occurrence (*if applicable*)
- ⇒ Commercial General Liability coverage with limits of at least \$2M per occurrence/\$4M aggregate.
  - Must include separate endorsement adding as additional insureds: "The City of National City, its elected officials, officers, agents, and employees". The actual endorsements or policy language regarding automatic additional insureds must be provided.
  - General aggregate limits must apply solely to this "project" or "location".
- ⇒ Commercial Auto Liability coverage with limits of at least \$1M, Combined Single Limit
  - Must include "any" auto.
  - Must include separate endorsement adding as additional insureds: "The City of National City, its elected officials, officers, agents and employees". The actual endorsements or policy language regarding automatic additional insureds must be provided.
- ⇒ Workers' Compensation coverage to meet CA statutory limits, plus employers' liability coverage of \$1M per accident
  - Workers' Compensation Waiver of Subrogation in favor of the City is required.
  - If there are no employees subject to Workers Compensation law, submit a signed Declaration (provided on next page).
- ⇒ Deductibles or SIRs (Self-Insured Retention) in excess of \$10,000 must be disclosed.
- ⇒ **CERTIFICATE HOLDER: City of National City, 1243 National City Boulevard, National City, CA 91950-4301.**

### **Insurance Document Submittal:**

**Email** insurance certificates to your City contact person and Elena Amaya in the City's Risk Department ([eamaya@nationalcityca.gov](mailto:eamaya@nationalcityca.gov)) (Phone: (619) 336-4370).

**Mail the certificates and endorsements to:** City of National City  
c/o Risk Manager  
1243 National City Blvd  
National City, CA 91950-4301

**Questions:** Curtis Stephen, Risk Manager: (619) 336-4220  
Elena Amaya, Office Assistant: (619) 336-4232